

John Taylor Hospice Charity

Annual Report and financial statements for the year ended 30th September 2020

Registered Company no: 08991245

Charity no: 1156964

John Taylor Hospice Charity

Contents For the year ended 30 th September 2020	Page
1. Reference and administrative details	3
2. Trustees' annual report	4-20
3. Independent auditor's report	21-23
4. Statement of financial activities	24
5. Balance sheet	25
6. Statement of cash flows	26
7. Accounting Policies	27-31
8. Notes to the financial statements	32-44
9. Appendix – Annual Statement of Governance 2019/20	45-52

John Taylor Hospice Charity

Reference and Administrative Details

Charity name: John Taylor Hospice Charity (JTH)

Charity Registration Number: 1156964

Company Registration Number: 08991245

Registered Office and Operational Address: John Taylor Hospice Charity, 76 Grange Road, Erdington, Birmingham B24 0DF

Trustees:

Mr Harry Turner Chairman

Mrs Lindsey Webb Vice-Chairman

Mr Jean-Luc Oliveira Priez (Resigned 30th June 2020)

Mrs Kimara Sharpe

Mrs Jacqueline Kelly (Resigned 13th November 2020)

Mr Jonathan Shapiro

Mr Paul Wainwright

Ms Beverley Edgar

Mr Robert Pickup

Mr Daniel Timms (Resigned 14th January 2020)

Mr Gordon Snelgrove (Appointed 2nd January 2020)

Mr Michael Goodwin (Appointed 28th April 2020)

Mr Peter Shanahan (Appointed 28th April 2020)

Mr Michael Sexton (Appointed 4th January 2021)

Senior Management Team:

Mrs Penny Venables Chief Executive

Mrs Alex McQuinn Director of Finance & IT

Miss Sarah Mimmack Director of Care

Miss Gail Hipkiss Director of Corporate and Commercial Services

Mrs Joanna Duggan Director of Income Generation and Marketing

Dr Deborah Talbot Medical Director (Appointed 1st November 2020)

Auditors: Crowe U.K. LLP, Rounds Green Road, Oldbury, West Midlands, B69 2DG

Bankers: HSBC Bank, 6th Floor, 120 Edmund Street, Birmingham, B3 2QZ

Solicitors: Browne Jacobson, Victoria House, Victoria Square, Birmingham, B2 4BU

Investment Managers: Quilter Cheviot, 8th Floor, Two Snowhill, Birmingham, B4 6GA

John Taylor Hospice Charity Trustee Report

Trustees Report for the year ended 30 September 2020

The Trustees present their report and the audited financial statements of John Taylor Hospice Charity for the year ended 30 September 2020.

A. Structure, Governance and Management

Governing Document

JTH Charity is an independent charity and company limited by guarantee, incorporated on 10th April 2014 and registered as a charity on 8 May 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The Board adopted the current set of Articles and Objects of the charity after passing a special resolution on 29 May 2018, following the merger of the Community Interest Company (CIC) into the Charity.

Structure

The hospice has a wide range of services including integrated health and social care at home, day care provision, pharmacy, occupational therapy, physiotherapy, outpatient clinics, hospice at home services, education, complementary therapy, carer support, psychological therapy and an inpatient unit for up to 16 patients, which operates for 365 days per year.

The trustees have delegated day-to-day management of the charity to the Senior Management Team as outlined on page 3 in this report. These personnel have delegated authority to make decisions on behalf of the charity. Formal meetings of the Senior Management Team are held on a monthly basis and a number of other executive committees form part of the decision-making structure for recommendations to the Board of Trustees or its subcommittees. These include a Finance Committee, Information Governance Committee, Clinical Governance Committee and Health and Safety Committee.

During 2020, the hospice has increased its partnership working with Birmingham St Mary's Hospice based in the south of Birmingham with the appointment in March of 2020 of the John Taylor Hospice Chairman to the Chairman position also across St Mary's. In May 2020 as greater collaboration developed lined to the COVID-19 pandemic, an interim joint CEO was put in place and from November 2020 joint directors appointed in Finance, Medical and Clinical services. The CEO and directors work across the two charities which currently remain separate.

Method of setting key management remuneration

None of the trustees receive any employment benefits in relation to their role as trustees of the charity. The salaries of the Directors (Senior Management Team) of the company are set by the Remuneration Committee which is a separate subcommittee of the Board of Trustees.

Appointment of Trustees

A person is admitted as a trustee to the board by decision of the Board of Trustees, who have the power to appoint any person who is able and willing to fulfill the role. All current trustees have been appointed in this way. As the charity activities develop and increase, additional trustees may be appointed. The minimum number of trustees is four but there is no maximum. When trustees retire every effort will be made to replace them with a person of similar qualities and experience. Future

John Taylor Hospice Charity Trustee Report (Continued)

trustee vacancies will be advertised externally, although suitable candidates known to the board and others may be encouraged to apply but not given preferential treatment.

Trustees can hold office for three years from the date of their appointment, at the end of which they are eligible for re-appointment for one or more further terms of three years each but having served their maximum term of office of nine consecutive years shall not be eligible for re-appointment until one year after their retirement as a trustee.

The directors of the company are referred to as charity trustees for the purpose of charity law and under the company's articles are known as trustees. The method of appointing trustees is as governed by the Articles of Association as outlined above.

The trustees are lay representatives of the community and are able to provide a range of expertise that supports and monitors the work of the CEO and the Senior Management Team.

Meetings of Trustees

The Board of Trustees meets quarterly during the year and the directors of the hospice are in attendance. At least four trustees have to be present in order for the meeting to be quorate.

The Board has four subcommittees, the Audit and Assurance Committee, the Quality Governance Committee, the Remuneration Committee and the Finance and Performance Committee which are all chaired by trustees and have senior management in attendance. The Audit and Assurance Committee meets four times a year and the Quality Governance and Finance and Performance Committees meet quarterly before the Board meetings. The Remuneration Committee meets as and when required. During the COVID-19 pandemic these meetings have been held virtually over Microsoft Teams.

These meetings ensure that the charity is fulfilling the requirements of its commissioners and regulators and has regard to charitable and company law.

Trustee Induction and training

New trustees receive induction to the charity that includes details of their legal obligations under charity and company law, the content of the Articles of Association, the work of the hospice and the Board of Trustees. Trustees have a bespoke induction programme put in place and are involved in staff mix and mingle sessions and visits to the hospice and within the community to speak with staff and triangulate evidence provided to them at board and subcommittee meetings. During the COVID-19 pandemic period, induction for new Trustees has been delivered through a series of Microsoft Teams meetings with senior managers.

Organisation

The trustees have overall legal responsibility for administering JTH. The trustees are responsible for holding the CEO and Senior Management Team to account, for ensuring that the hospice is managed efficiently and effectively and that the highest standards of care are provided. They are responsible for ensuring adequate accounting records are kept that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the maintenance and integrity of the corporate and financial information included on the company's website.

John Taylor Hospice Charity Trustee Report (Continued)

Working Partnerships

As an independent business one of the hospice's key priorities has been to continue to work collaboratively with NHS funders as well as other health providers and non-health organisations to ensure the continuation of high quality end of life services.

During the year, 1 October 2019 to 30 September 2020, the hospice cared for **1,931 patients** as well as providing support for these patients' families. That care was provided by the hospice's Inpatient Unit, its day hospice and in the community. The hospice also provided wellbeing support to both patients and family members.

The hospice has a number of close working relationships in the local community including Birmingham and Solihull Clinical Commissioning Group, Sandwell and West Birmingham Hospitals, with whom it has NHS contracts. In addition, close working arrangements are in place with local primary care in North, East and West Birmingham including general practice, Birmingham Community Healthcare Foundation Trust, University Hospitals Birmingham Foundation Trust, Birmingham City Council and a number of local hospices including Birmingham St Mary's Hospice, St Giles' Hospice and Marie Curie Hospice Solihull. In addition, it takes referrals, where appropriate, from outside the catchment area on a cost per case basis. During the first weeks of the pandemic in March 2020 a joint initiative between Birmingham St Mary's hospice, Marie Curie Hospice west midlands and John Taylor Hospice was created. This was designed to improve access to palliative care for all patients across Birmingham and Solihull, with direct links to district nursing services, West Midlands Ambulance Service and St Giles Hospice. The new service named Hospices of Birmingham and Solihull (HoBS) provided 24/7 access to specialist palliative care advice, joint bed management across the hospices, improving access, and also a rapid response service to manage crises in the community in order to prevent hospital admissions and improve patients abilities to meet their preferred place of care, and death. This service was possible due to the redirection of existing resources but is not sustainable long term without additional external funding. A joint business case on behalf of the partnership is under development for 2021/22 delivery.

The hospice continues to be part of the ongoing work around the Birmingham and Solihull NHS Sustainability and Transformation Partnership (STP) which seeks to close gaps in health inequality, quality and care and funding going forward to meet demand. For example, in Birmingham there remains a 9 year gap in life expectancy between the most affluent and the most deprived populations. The Birmingham and Solihull STP is split into a number of work streams with End of Life Care sitting in the Ageing Well work stream. The hospice CEO chairs the End of Life Care Co-ordinating Group which is accountable to the Birmingham Integrated Care Portfolio Board, a subcommittee of the Ageing Well Portfolio Board.

Sandwell and West Birmingham CCG continues to commission an overarching contract for End of Life Care from Sandwell and West Birmingham Hospitals and JTH remains a sub-contractor of this Connected Palliative Care Contract. The contract supports a hub for end of life care co-ordination, for patients and their families as well as health professionals. Focussing on the populations of Sandwell and West Birmingham, the centre aims to bring together care providers to offer seamless end of life support. This followed a competitive tendering process and, as a result, the hospice is working in collaboration with its' neighbouring hospice in the city, Birmingham St Mary's, as well as the hospital trust (SWBHT) and two other providers. The new arrangement has been in place since 1 April 2016. Nearly 20% of its' NHS contract value is now secured against this five year term (to incentivise improvements on price the tender process guaranteed a five year contract term for the successful bidders from 1 April 2016).

The hospice has worked closely with Birmingham St Mary's Hospice through a partnership agreement to begin the development of a unified model of hospice care across Birmingham.

John Taylor Hospice Charity Trustee Report (Continued)

B. Objectives and Activities

The hospice was founded in 1910 and is the oldest non-denominational hospice in the UK, being gifted to the NHS in July 1948. The charity exists for the public benefit: Specifically the advancement of health, care and support for people living with a palliative or end of life diagnosis and provides specialist palliative and supportive care in Birmingham and the surrounding areas.

Services are provided free, at the point of use, and include physical, social and psychological palliative care in the form of specialist medical, therapeutic, nursing, psychological, and family and personal care. JTH also operates a number of preventative and educational programmes consistent with the best public health evidence for adults, children and young people. Medical, nursing, physical, therapeutic social and psychological care is delivered where people choose to experience it, including their own home or at the hospice. Care can be delivered in people's own homes or the hospice itself 7 days a week up to 24 hours a day. NHS practitioners in hospital nursing and community settings, housing and social care professionals in residential and community settings make the majority of referrals. Members of the public can also refer themselves directly for hospice services.

The success in this endeavor is measured by the experience of patients, families and the public, performance against a range of indicators that include the requirements of the Companies Act and the standards set by national regulators (CQC) who authorise and inspect health and social care services in England and Wales and the provisions of contractors - including the NHS and grant-making bodies.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (SORP FRS102).

Public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. The charity objects as included in the Memorandum and Articles of Association are for the public benefit:

The general objectives of the charity are:

To promote the relief of illness or suffering by:-

1. The expert care and support of people with palliative and end of life needs;
2. The provision of services to promote health and wellbeing for patients and carers;
3. The care and support of family and friends who have been bereaved;
4. The advancement of education and healthcare practice to raise awareness of potentially life limiting illness; and
5. The advancement of high quality palliative and end of life care through the community.

The hospice services benefit a specific section of the public (adults and their families and carers within Birmingham and the surrounding counties, affected by progressive life-limiting illness) but there are no other restrictions on access to its services. JTH works with adults across the spectrum of illness that foreshortens life and has a number of programmes to look at the prevention of illness itself.

The trustees believe the charity provides a public benefit through the work of JTH which offers palliative and end-of-life care to adult residents within its catchment area and who are suffering from a terminal illness. All services provided by JTH are free of charge to patients and their carers or families, funded both by the tax payer and directly by the public. JTH delivers services on behalf of

John Taylor Hospice Charity Trustee Report (Continued)

various NHS Clinical Commissioning Groups (CCGs), and also works with other organisations, regulators, funders and community groups in its capacity as a charitable organisation.

In preparing this report therefore the public benefit guidance published by the Charity Commission has been met, particularly the relief of those in need by reason of ill-health.

The hospice's vision, mission, key goals and values are set out below:

Vision: A compassionate and dignified death for all.

JTH's mission is: to provide specialist care for people living with a terminal illness and their families.

Values:

Care for All – Recognising that people are individuals and should be treated with dignity, respect, compassion, care and sensitivity.

See the Person – Developing and delivering services with input from all those involved to care for all of those communities which need our services.

Be right first time – Doing things once and doing things right. Having a clear view of what we are trying to achieve and working towards this.

Simplify the complex – Being clear in our dealings and communications with patients and each other.

Goals: Key goals going forward are outlined in the strategy for 2019 to 2022 and are as follows:

1. **Consolidate current business**
2. **Maximise income**
3. **Extend clinical services**

The strategy includes further development of the workforce as well as a significant review of the estate to make it fit for purpose. It is also intended to expand the use of technology and look at developing new roles such as nurse associates to provide more care to the population served. In early 2020 the hospice was awarded Investing in Volunteers Quality Standard. There are continuing plans to expand the volunteer numbers in the hospice linked to an extension in the retail venture and the opening of a further two charity shops in 2020/2021.

Working as part of the Birmingham and Solihull STP, it is hoped to progress the plans for 24/7 access to specialist palliative care with the development of a 24/7 Hospice at Home Service and telephone help line. Further work with partners will enable an in reach service into acute hospitals to help patients achieve their preferred place of death and wherever possible be looked after in their own homes.

Internally it is intended to look at the way that referrals for treatment and support are received into the hospice with a view to creating a centralised referral hub to streamline processes and minimise the time taken to process. Additional nurse-led beds will also be looked at on the IPU alongside the creation of specialist areas for young people and bariatric patients.

Unfortunately, the COVID-19 pandemic has meant that plans to hold fundraising events to celebrate the hospice's 110th Anniversary in 2020 could not be implemented in full but the hospice has continued to be supported by personal and in memoriam donations.

In the summer of 2020 the hospice moved to the hospital module of SystmOne which has helped to facilitate the partnership working through HoBS as all three hospices use the same clinical system and improved business processes.

John Taylor Hospice Charity Trustee Report (Continued)

Consolidate our Current Business

There are many areas where the hospice wants to build on and improve efficiency and effectiveness of what it does. It is clear that the focus should be on what the hospice does best at and how it can further the core business of providing expert, compassionate and personalised end of life care. Linked to this is the need for a workforce that is fit for the future and a clear recruitment and retention plan to meet the envisaged growth in demand for hospice care. The hospice will work with commissioners in relation to its public sector contracts and build on current monitoring and management of those contracts to ensure it is providing robust and effective services. It will also do work on its estate in conjunction with NHS Property services and the local CCG. This will include work on asset registers and a review of estate to understand the constraints on site and the colocation needs of services within the hospice. This work will link into work on the future lease arrangements and ownership of the property with NHS Property Services.

Maximise Income

It is clear in the new Hospice UK Strategy that the drive continues for hospices to look at partnership working both within the hospice movement and with other partners. As such it is key that the hospice continues to build on links with other local hospices both in terms of strengthening networks and being better placed to win tenders and bids for development. The hospice will build further links with its neighbouring hospices, sharing information and benchmarking services to ensure best practice is adopted.

It will also look at how it delivers its services currently and make sure they are fit for the future and meeting the needs of the local population. Where required we will work to expand services to meet patient needs and develop new services, both alone and in partnership, to ensure a consistent hospice offering across the city.

Extend Clinical Services

The hospice will look at a range of clinical projects across the year including the need for Inpatient Unit (IPU) beds and whether these should be expanded. There is the potential to increase IPU beds from 16 to 20 which could meet some of the unmet demand for hospice care identified locally as part of requirements for respite care and continuing healthcare placements at end of life. It is however, quite likely that increased inpatient capacity will be superseded by increased community care capacity by expanding services to cover 24 hours a day. There is also potential to create inreach services to help support local NHS hospitals with a view to redirecting acute admissions for those at the end of their lives to hospice services. This will be done through linkages with partners and other stakeholders and continuing to be part of the Regional Capacity Management System to ensure the maximum number of patients who need hospice services gain access to them.

During the COVID-19 pandemic, the hospice established a rapid response/call-out service in conjunction with two other partner hospices across Birmingham and Solihull as a clear need within the local population for this service was identified. This was in order to support people who wished to stay at home at end of life and have this as their preferred place of death. This will be developed going forward and build on the current JTH Hospice at Home Service.

JTH has a higher-than-average non-cancer to cancer diagnosis ratio in the patient population, however more can be done to extend reach, as well as looking at partnerships and joint working with colleagues around the hard to reach groups.

John Taylor Hospice Charity Trustee Report (Continued)

C. Strategic Plans

The following gives details on achievements and performance over the last twelve months as well as plans for the future and key risks and uncertainties.

Achievements and performance

The hospice continues to have a positive working relationship with the NHS and in particular the Birmingham and Solihull CCG. The CEO chairs the End of Life Care Co-Ordinating Group and sits on the Early Intervention Steering Group, Neighbourhood Integration Group and represents the health economy for End of Life care on the Birmingham Integrated Care Partnership Board. In these forums, it works closely with colleagues in the acute health sector and other hospices to develop end of life care across the city and prevent unnecessary hospital admissions for this group of patients.

As part of this work the hospice has been working on a pilot programme with its main CCG funder regarding the use of personal health budgets for end of life care. This is part of NHS England setting out plans for 50-100,000 people to have a personal health budget by 2020. An original pilot evaluated well in February 2019 but was deemed to be too small a population size as it was based on a sample of 24 patients. The hospice has been working during the year on an extension to this pilot based on an award of £500,000 from the Birmingham Better care Fund. The pilot is due to evaluate in January 2021 and extends the pilot to a further 100 patients.

The charity has successfully achieved accreditation for its work on staff wellbeing. The accreditation awarded by West Midlands Combines Authority, Thrive at Work Programme was achieved in October 2020 and lasts 3 years. It recognises the hospice as an organisation who are committed to staff health and wellbeing through its positive working practices and promotion of wellbeing initiatives. The wellbeing work (through this programme) also secured a grant payment of £10k which has been used to part fund a counselling supervisor who is available to support all staff.

2021 will see the hospice further develop its equality and diversity strategy by working toward accreditation via the National Centre for Diversity. This will be a year long programme of assessment which highlights areas of success and areas for development in relation to equality and diversity, and this work will link into the existing action plan.

Other areas of the strategy ensure the needs of all patients can continue to be met by increasing income from fundraising activities and development of the retail venture. Good progress was made in the first 6 months of the year with fundraising income ahead of the forecasted position, plans to build on the new events programme and areas identified for new shop units. The impact on COVID-19 resulted in many plans either cancelled or postponed. The biggest area of impact was on events. The inability to run face to face activities for much of the year and restrictions around social distancing negatively impacted on income, this was from the hospice led event programme as well as third party fundraising activities. The hospice has had to adapt and continually revise plans which has brought about many new and positive ways of working. This includes the development of virtual events and campaigns, an increase individual giving as well as an opportunity to really engage with supporters through phone calls, regular updates and improved supporter care.

John Taylor Hospice Charity Trustee Report (Continued)

The achievements in the year have been focussed on:

- Continued partnership working with the NHS and others
- Meeting and exceeding all external regulation and enhancing our internal governance processes
- Providing care where people wish to have it and of the highest quality
- Retaining a strong and committed staff and volunteer base
- Retaining a strong financial position
- Providing an open and honest culture
- Developing Freedom to Speak up Champions
- Growing into new areas like prevention, dementia care and the scope of our work in long-term conditions and accredited complementary therapies
- Piloting the use of personal health budgets in end of life care
- Reducing taboos surrounding death and dying

The hospice considers patient safety and quality to be the highest priority. This year has seen further strengthening of the approach of how quality and safety of the services provided are monitored with the embedding of data dashboards and the Datix risk management system across the hospice.

The Board has a subcommittee for clinical quality known as the Quality Governance Committee (QGC) and this has five working groups, the Clinical Governance Committee (CGC), Patient Safety Group, Mortality Meeting, Medicines Safety Group and the Health and Safety Committee. QGC reports to the Board to give assurance on clinical risk and quality and clinical safety measures include safe staffing levels, complaints and compliments.

Corporate safety measures include housekeeping cleanliness audits, staff training records and the PLACE (patient-led audit) organised and managed to independently assess the care environment for cleanliness, food and hydration, condition and appearance of the hospice, and patient privacy, dignity and wellbeing. In addition, robust systems are in place for reviewing and implementing relevant National Institute for Health and Care Excellence (NICE) guidance and addressing Clinical Assessment Service (CAS) alerts.

The last Care Quality Commission regulation assessment of the hospice was carried out on 25 May 2016. The CQC report was issued on 9 August 2016. The overall rating for the service was rated as 'Good'. The CQC inspection provided a further rating for each of the 5 domains or questions that they assessed and the hospice was rated 'Good' in every category. The hospice is currently awaiting a routine inspection of its services since the transfer of the regulation of hospices to healthcare, however this has been delayed due to the COVID-19 pandemic. During this time however the hospice is subject to regular risk based virtual assessments on quality from CQC colleagues.

Ensuring the highest quality of care and evidencing this in various ways such as patient-led audits (PLACE), internal audits, the annual Quality Account, patient feedback and CQC inspection is a focus across the hospice. The results of audit/evaluation are fed back appropriately to those delivering, receiving and commissioning the services and to the Board. Audit and evaluation is continuous in all departments and results indicate that patients, carers and NHS partners are satisfied with the support they receive. The public can review the results of external inspections on-line and patient satisfaction surveys to hear patients' views about care and the company are run in order to make continuous improvements. A full summary of governance and risk management arrangements is contained in the annual governance statement appended to this document.

The organisation is committed to involvement in and the development of research and has a part time research nurse for one day a week to work alongside clinical teams and increase its research

John Taylor Hospice Charity Trustee Report (Continued)

activity.

Benchmarking with other hospices enables the organisation to identify areas for further development or provides assurance that JTH continues to function well.

The hospice has seen consistency in relation to its clinical activity during the year with the following activity through its services as shown below:

Activity 2019/20

	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	
Available Bed Days	496	480	496	496	464	496	480	496	480	496	496	480	5856	Bed Days
Bed Days Occupied	272	289	341	341	314	198	188	302	342	233	264	309	3393	
Admissions	40	31	40	34	29	31	22	29	31	28	24	28	367	
Average Length of Stay	7	9	9	10	11	6	9	10	11	9	11	11	9	
Discharges	8	4	7	9	8	7	6	4	7	5	4	5	74	
Deaths	28	15	22	14	11	15	9	13	13	18	19	15	192	
	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	Living Well Centre
Total Referrals	10	15	15	7	9	3	0	0	0	1	2	5	67	
Attendances	117	110	59	126	109	41	5	21	118	50	63	48	867	
	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	Wellbeing
Total Referrals	38	34	35	27	39	23	18	28	16	24	18	32	332	
Attendances	100	114	87	160	167	110	206	219	192	182	141	244	1922	
	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	Hospice @ Home
Total Referrals	20	23	23	17	14	24	24	27	29	20	11	15	247	
Attendances	625	610	533	648	443	721	689	676	418	606	691	481	7141	
	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	Community
Total Referrals	104	102	87	101	120	81	74	79	93	123	105	100	1159	
Attendances	2164	1873	1804	1900	1927	1678	1458	1841	2103	2331	1981	2227	23287	
	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Actual	Therapists
Total Referrals	122	132	120	135	126	94	59	104	96	92	62	88	1230	
Attendances	675	600	538	687	613	498	387	554	770	695	649	675	7351	
Total number of patients seen by John Taylor Hospice from October 2019 to September 2020									1931					

The arrival of the pandemic due to Covid-19 has obviously impacted on the hospices clinical services. The day hospice facility (Living Well Centre) had to close to face to face contacts in order to keep patients safe, much of the work has continued via doorstep visits, telephone calls and 'zoom' sessions. The community services moved from offering help 8am – 8pm to becoming a 24/7 response service in order to support the ambulance service and local acute hospitals. This service now forms part of a business case submitted to the CCG in the hope that it can be permanently funded as it was so beneficial. Unfortunately it is not sustainable without additional funding as staff were diverted to this new service leaving other issues. Wherever possible alternative arrangements are made with patients and so what may have been a face to face review pre pandemic is now often undertaken via telephone or video call. All clinical staff are able to give care in the community or the ward utilising appropriate personal and protective equipment; this ensures that physical hands on care can be given at all times despite the covid status of the patient or family.

The hospice currently employs 162 staff with 125 volunteers covering 14 different roles.

Revalidation for medical staff is the process by which licensed doctors are required to demonstrate on a regular basis that they are fit to practice and having their licence renewed. The hospice has the appropriate procedures in place to ensure this is done via a nominated Responsible Officer who oversees the process and links in with the General Medical Council (GMC). The hospice's arrangements are via a contract with the University Hospitals of Birmingham who supply this service to it. No issues have arisen in the year. Nurse revalidation also came into effect from April 2016 to build on existing renewal requirements by introducing new elements which encourage staff to reflect on their code of practice and demonstrate that they are 'living' by the standards set out within it. This process was supported by revalidation presentations, Royal College of Nursing (RCN) formal revalidation training, annual appraisals, weekly reflective discussion pertinent to clinical practice and a training co-ordinator who records all individual training accomplishments.

John Taylor Hospice Charity Trustee Report (Continued)

The workforce are engaged by various methods including quality circles, a bi-weekly internal newsletter and Mix & Mingles for all staff offering buffet lunch or afternoon tea. Although these have had to be suspended during the pandemic other regular updates have been introduced. A quarterly Chief Executive's Brief is in place for cascade down the organisation with the facility for questions to be raised and addressed and separate CEO sessions have taken place during the year virtually to discuss the closer working relationship with Birmingham St Mary's Hospice.

During the financial year 2019/20, 125 volunteers made regular commitments to support JTH. These roles included day hospice hosts, drivers, photography, fundraising, gardening and finance. Volunteer hours totalled 14,528, which equates to approx. £127k.

The Hospice Survey 2020 was open from 28th September to 30th October 2020. The survey was run by Birdsong Charity Consulting, on behalf of Hospice UK. 134 staff out of a total of (available) 163 staff completed the survey, this equates to 82% of the workforce.

An action plan has been developed off the back of the survey, however the highlights of the survey were:

- 82% of staff believe in the aims of this charity.
- 82% of staff were proud to work for this charity
- 93% of staff felt that if a friend or relative needed treatment they would be happy with the standard of care provided.
- 79% of staff would recommend the charity as an employer and this percentage has risen over the last 3 years.

This year saw staff complete an equality and diversity survey which captured key data, and also a survey on the company's response to the covid pandemic.

The hospices Equality Diversity & Inclusion action plan focusses on 6 key areas. They are:

1. Increase organisations understanding of issues around inclusion by improving our analysis of data and listening to staff
2. Ensure our BAME staff can reach their full potential by ensuring recruitment and training is inclusive and representative
3. Ensure all our policies and processes are inclusive and promote the right levels of support to all our staff
4. Ensure we provide culturally sensitive services and information that reflects diverse language, cultural celebration and environments
5. Focus our community engagement work on ending inequalities and engaging with communities to increase awareness, referrals and support
6. Ensure we provide clinical services that are aware and responsive to how EDI factors affect healthcare outcomes

This action plan will feature in the work to be undertaken with the National Centre for Diversity during 2021.

John Taylor Hospice Charity Trustee Report (Continued)

Income Generation

The JTH Corporate Strategy 2019-2022 has shown that the demand for services is likely to grow. Birmingham's population is projected to increase by 13% over the next 20 years and therefore a new commercial offering and diversification of income is essential to raise funds to sustain and grow core services.

Fundraising Performance

Fundraising income for 2019/20 was budgeted to grow by 12% on 2018/19 and performance the first 6 months of the financial year put the team in a strong position to achieve that and more. The pandemic had a significant impact on the remainder of the year with the cancellation of all face to face events as well as a reduction in community and corporate fundraising activities. Despite a challenging 6 months performance was better than forecast with growth in a number of income lines.

- £821,499 achieved against a COVID-19 reforecast of £732,316 (13% increase).
- £178,596 emergency funding was received from Hospice UK
- ROI of 3.79 compared to original budget of 3.49 was achieved
- Staff and non-staff cost savings were able to be made of £46,810
- Non staff cost savings of £30,303 have largely been as a result of a reduced events programme

Gift in wills brought in £197,355, this includes one large gift of £152,708. This continues to remain a key priority and is part of the hospices strategy for growth. In memory donations and collections continued to grow and brought in £146,695, an 18% increase on 2018/19. The investment in a part time Trusts and Grants Fundraiser resulted in 15% increase in income and 217% growth in the prospect database.

Your Hospice Lottery, owned and run by St Helena Hospice, continues to manage the lottery on behalf of the hospice. Growth in 2019/20 remained static. At the start of the financial year there were 2294 numbers in the draw and at 2nd October there were 2248. Despite the challenging economic climate very few cancellations took place however recruitment of new players proved difficult with no face to face activity taking place. The hospice continues to work closely with Your Hospice Lottery to maximise income in this area.

The fundraising environment remains competitive and challenging. The need to continually adapt and remain agile has never been more important. This year has seen a shift in the way people give to charity, particularly around the use of digital technologies. In order to continue income growth digital innovation and investment around supporter acquisition will be a priority.

Regulatory Requirements

The hospice is a member of Fundraising Regulator and abides by the Codes of Practice it sets out.

We endeavor to operate in a transparent and open manner as well as protect members of our community and supporters who may be vulnerable. The following fundraising policies are in place and regularly reviewed:

- Protection of vulnerable people while fundraising
- Acceptance/refusal of donations
- Fundraising complaints
- Handling of donations
- Working with third parties

As part of the hospices commitment to ethical and open fundraising, a report was presented to the Board of Trustees on how the fundraising team is working to the standards and best practice set out by the Fundraising Regulator and the risks and mitigations. Overall assessment of fundraising activity

John Taylor Hospice Charity Trustee Report (Continued)

risks were rated as low. The main findings and recommendations from the audit, are as follows:

- Processes around the recording of restricted income to be included in the Handling of donations policy
- The administration of legacy income to be included in the Handling of donations policy
- The Protection of Vulnerable people policy to include a specific section on young fundraisers processing of their data and fundraising activities undertaken
- Ongoing training for all fundraising staff to ensure the team continue to promote best practice and are adhering the Codes latest guidance

The Board of Trustees were happy that the policies, procedures and monitoring in place ensures good compliance across all standard.

In 2019/20 3 complaints were received two relating to lottery canvassing activity and one relating to a letter sent to a deceased addressee. All complainants were contacted and no further action was taken. The organisation aims to provide excellent levels of supporter care and relationship management to ensure that all fundraisers and donors have a positive experience when supporting the hospice. We continue to work with Your Hospice Lottery to ensure any complaints or concerns raised about canvassing on our behalf are dealt with appropriately.

Retail

Following the opening of four shops in 2018/19 and a full review and period of consolidation the board approved the 3-year retail strategy in January 2020.

Growth of the retail portfolio and of the existing four units in 2019/20 was greatly hampered due to the closing of all non-essential shops in March due to the pandemic. Shops remained closed from 23 March until week commencing 20 July. All retail staff were furloughed and a review of any other cost savings were made.

On reopening, in order to ensure a safe and compliant trading environment shops operated reduced trading hours. In total 3924 trading hours were lost in the year. During this time, despite losing trading hours the shops have achieved +7% increase on sales of donated items versus last year's full trading hours. Transaction numbers have also increased by 9.1%.

Shops started to see a return of a number of their volunteers but due to social distancing measures stores were operating on a significant reduction in both hours and people compared to last year. The period July – September represents a reduction in volunteering hours by -29%.

Despite a challenging period for retail income from the furlough scheme, Hospice UK and Government grants brought the overall profit for the year in line with the original budget.

In September the hospices launched its online EBay shop. This will enable the hospice to mitigate any future losses should shops be required to close again and diversify its customer base.

Providing an open and honest culture

Occasionally people cared for by the hospice are involved in an incident, some of which have the potential to cause harm. The hospice is committed to talking to patients and their carers at a very early stage following any such incident to understand what happened and, where necessary, learn the lessons that will prevent it happening again to improve the safety of our future patients. All incidents are reviewed (even where there is no harm) to learn from 'what might have happened'.

John Taylor Hospice Charity Trustee Report (Continued)

If any harm happens, the incident is investigated and patients and their relatives or carers are asked to what degree they wish to be involved in the investigation. The findings are shared with the patient, their family or carers and also any learning and improvements shared across the company. The process is designed to 'analyse' and learn but not to 'judge' all incidents as this is essential to make sure that a culture of openness is established and preserved.

Linked to this, the hospice has a Being Open Policy which also describes the requirements in meeting the Duty of Candour to which the hospice is committed. There is also a Being Open Champion, one of the trustees who is available for staff to approach should they have any concerns on patient safety. A lead director (Director of Care Services) is the Freedom to Speak Up Guardian to ensure staff raising concerns feel able to do this and are supported when doing so and a group of staff ambassadors along with an anonymous feedback section on Datix ensure that there are differing ways staff can raise a concern in place. Themes from freedom to speak up are reported to the Board of Trustees.

The Charity Governance Code

The hospice meets the principles and outcomes of the Charity Governance Code and adheres to the seven principles as laid out below:

1. Organisational Purpose
The Board is clear about the organisations aims and objects, reviewing these against each Board paper at Board meetings. The key goals are laid out earlier in this report and are reviewed as part of the Board's annual strategy away day each January.
2. Leadership
The Board reviews its mission and vision at an annual away day in January and has developed a set of objectives that are embedded in the organisation, forming part of recruitment and appraisal systems. It also ensures the appropriate arrangements are in place for the recruitment and management of volunteers with a volunteer manager in place and strong links to the workforce department.
3. Integrity
The Board works to the Nolan Principles of Public Life and has in place registers of interests, hospitality and gifts which are shared with the Audit Committee on a regular basis.
4. Decision-Making, Risk and Control
The Board has sound systems of delegation in place with oversight being given via the Quality Governance and Finance and Performance Committees. The Board publishes a statement of governance each year which outlines its risk systems and internal controls.
5. Board Effectiveness
The Board meets on a regular basis and has clear work plans and action logs in place. Skills analyses take place to determine the correct skill mix for the trustees which informs recruitment and regular appraisals are in place. All trustees have set terms of office and an induction process is in place for all new trustees. The chairman requests reflections from all Board members at the end of each meeting.
6. Diversity
The Board understands its responsibilities in this area, reviewing skills, experience and diversity of trustees. In 2020 an Equality and Diversity Action plan has been agreed and is being implemented and a staff Inclusion Group is being established. The chair and CEO have also published a clear statement on the boards views on equality and diversity in light of the events during the year with regard to Black Lives Matter.
7. Openness and Accountability

John Taylor Hospice Charity Trustee Report (Continued)

The Board works well with key stakeholders in particular its neighbouring hospices and its public sector commissioners. The hospice CEO chairs the End of Life Care Co-ordinating Group for Birmingham and Solihull's Sustainability and Transformation Partnership and has a full programme of community engagement.

D. Financial Review

There have been adequate controls in place over the collection and reporting of information and data collection conforms to specific data quality standards.

In addition to core NHS funding, the hospice is required to raise funds by way of donations, grants and other activities. The hospice has had a number of activities in the period to increase awareness amongst the population served. Marketing campaigns across the city of Birmingham and other areas are designed to develop and maintain the profile of the hospice and to be supporters' first choice charity to support. The hospice has improved supported fundraising offers for corporate, other charity and individual supporters including transparency on its costs.

Donation and legacy funding continues to be maintained which is an essential addition to NHS funding to enable the hospice to fund services.

The hospice ended the year with a surplus of £400k against a budget plan of £71k before the impact of an unrealised gain of investments. A one-off additional £122k was received from central government for end of life provision. This funding has been designated for IT and infrastructure initiatives to aid a cross city hospice service provision. The CCG also provided £156k of Covid 19 resilience funding. Combined with supporting operational running costs, these monies have been utilised to purchase capital items with depreciation charges to be released over future financial years.

As a result of the pandemic, during 2019/20 JTH received a total of £443k COVID-19 financial support from: BSOL CCG (£157k), Hospice UK (£179k), Local councils retail grants (£70k) and HMRC coronavirus job retention scheme (£37k).

As of November 2020 JTH have been informed they will receive £151k from the CCG to provide financial resilience during 2020/21. Negotiations are currently underway between HUK and NHSE to request some form of financial aid continues until March 2021. It is not known at this stage the level of funding JTH will receive, but it will hopefully mitigate the reduction in retail income due to further shop closures and any further reductions in fundraising as planned future physical events are in limbo.

The Board of Trustees and SMT will be closely monitoring the fundraising/retail environment and the impact on the financial position.

Plans for Future periods

The hospice is currently reviewing the three year strategy agreed last year based on changes that have occurred both nationally and within the local health economy in the last 12 months. While the agreed three goals of:

- 1. Consolidate current business**
- 2. Maximise income**
- 3. Extend clinical services**

John Taylor Hospice Charity Trustee Report (Continued)

Focus work needs to be done to understand the changes brought about by the Covid-19 pandemic and the development of the new city wide rapid response service.

In addition, during the course of the last 12 months the hospice has started close working with Birmingham St Mary's Hospice in south Birmingham with the appointment of a joint Chair and CEO earlier in 2020 and joint director roles in the autumn. The two boards of trustees have also agreed to move forward towards a merger of the two charities dependent on a formal due diligence process. This decision is based on the agreement that a city wide adult hospice charity will place both hospices in a stronger position in the newly forming integrated health system. Some of the key themes from the existing strategy such as the expanded use of IT and technology in service delivery will continue to be a key area for progress as well as a wider workforce plan for specialist palliative care in Birmingham and Solihull.

The development of the Hospices of Birmingham and Solihull partnership and the implementation of the urgent response model earlier in the year as a response to the pandemic will also be a key clinical strategy to embed in service provision going forward. Closer working with partners in the acute, primary and community care sectors will also help to integrate services and give access to hospice care to those who would benefit from it.

Work will also continue to review and update the income generation strategies for the hospice, taking into account the effect of the pandemic. This will include a review of events and when these are able to recommence as well as a refresh of the retail plans and targets.

E. Risks and Uncertainties

The Board of Trustees in conjunction with the Senior Management Team, have in place a process to assess and manage business, clinical and corporate risk. This is laid out in more detail in the attached statement of internal control; however it involves the identification, prioritisation and calculation of likelihood and impact of all risks using Datix. The hospice maintains a risk register which is reviewed on a regular basis by the senior management team and by formal board committees. A wide range of policies and procedures are in place to minimise and manage risk as well as ensure compliance with legislation and CQC standards.

The accounting records are maintained by the hospice and the system of internal control pertaining to the charity is in place. These are designed to provide reasonable assurance against material misstatement or loss. They include:

- an annual budget approved by the Board
- a clear income strategy for the charity
- progress against the charity budget is reported quarterly at Board meetings and by correspondence in the intervening months;
- delegation of authority and segregation of duties

A more detailed Statement of Internal Control is available as an appendix to this document in the Annual Governance Statement, however the following are the current top three risks to the organisation.

Income

The hospice is aware of the unprecedented financial pressures the NHS faces and is fortunate to still have contracts in place with two NHS commissioners for its services. There continues to be however both a risk to that income particularly as that main commissioner is contracting on an annual basis and for this reason the hospice has sought to develop other sources of income over the last few years. In 2018 the hospice started a new commercial venture in charity retail and has set targets to achieve over the next three years. There is a risk however that income targets for the new retail venture are not

John Taylor Hospice Charity Trustee Report (Continued)

met with the resulting impact on the annual budget. This is being mitigated by regular budget monitoring, close selection of sites for the charity shops and, where required, reduction in expenditure across the budget.

Clinical and Non-Clinical Supplies

The hospice is participating in the wider health economy contingency planning for a no-deal Brexit and has followed the Department of Health's advice in preparing for this possibility. There are some areas of supplies however including medications where it is very difficult to put contingencies in place as the hospice relies on external suppliers. There is also an unknown risk in relation to heightened costs of supplies post a no-deal Brexit.

Resilience during COVID-19

Workforce and financial resilience is essential during this extended period of uncertainty. The impact on how JTH's services are functioning are continuously discussed during weekly pandemic operational group meetings. This includes the ability of fundraising to hold physical events and retail shops to remain open in what could be a cycle of local lockdowns.

F. Reserves Policy

The trustees agreed a new reserves policy in September 2020 which required that free reserves be held totalling £3.1 million. This would include maintaining an operating reserve retention of £1 million cash, £0.1m held for capital asset purchases, £1m held whilst the facilities/estates strategy is concluded and £1m for investment purposes. The reserves held would equate to 5.5 months operational cover.

Total reserves at the year end stood at £4,889,780 (2019: £4,440,332). At the year-end the charity had free reserves (total reserves excluding fixed assets and funds held on investment) of £2,759,877 (2019: £3,325,873) and this is in line with budget and expectations and the reserves policy.

The level of restricted funds held is £653,126 (2019: £528,926).

G. Going Concern

John Taylor Hospice Charity directors have prepared the charity entity accounts on a going concern basis because assurance has been gained from the main NHS funder that its contract to procure services from the hospice will run until 31 March 2023 at the earliest. There is an adequate level of reserves held in line with the current reserves policy.

H. Taxation Status

HMRC has recognised JTH as a charity for tax purposes and as a charitable company. This means the charity can claim back basic rate Income Tax on certain donations received from individuals through the Gift Aid scheme. At present there is no taxable (non-exempt) income or gains in the charity and therefore no tax to pay.

I. Trustees Responsibility For The Financial Statements

The trustees are responsible for preparing the Trustee Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom

John Taylor Hospice Charity Trustee Report (Continued)

Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently
2. make judgements and estimates that are reasonable and prudent and
3. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.


The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy, at any time, the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

J. Statement Of Disclosure To The Auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all steps that they ought to have taken as trustees, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board of Trustees and signed on their behalf by:


Harry Turner
Trustee
Date 15/2

2021

John Taylor Hospice Charity Independent Auditor's Report

Independent Auditor's Report to the Members of John Taylor Hospice Charity

Opinion

We have audited the financial statements of John Taylor Hospice Charity for the year ended 30 September 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

John Taylor Hospice Charity Independent Auditor's Report

the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

John Taylor Hospice Charity Independent Auditor's Report

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown

Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Date 6 April 2021

John Taylor Hospice Charity
Statement of Financial Activities for the Year Ended 30th September 2020
Incorporating an Income and Expenditure account

		<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
		<i>funds</i>	<i>funds</i>	<i>funds</i>	<i>funds</i>
		<i>2020</i>	<i>2020</i>	<i>2020</i>	<i>2019</i>
<i>Notes</i>		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
INCOME FROM:					
Donations and legacies	1	751,940	76,162	828,102	850,115
Charitable activities	2	5,380,163	121,759	5,501,922	4,913,707
Other trading activities	3	336,148	-	336,148	282,797
Investments	4	3,845	-	3,845	1,755
Donation of Charitable assets		-	-	-	1,080,802
Total		6,472,096	197,921	6,670,017	7,129,176
EXPENDITURE ON:					
Raising funds	5	202,877	11,515	214,392	182,439
Charitable activities	5	5,765,089	14,283	5,779,372	5,414,983
Other Trading Activities	5	276,434	-	276,434	252,073
Total		6,244,400	25,798	6,270,198	5,849,495
Net income before net gains on investments		227,696	172,123	399,819	1,279,680
Net gains on investments	13	49,629	-	49,629	-
Transfers between funds	16	47,923	(47,923)	-	-
Net Movement in funds		325,248	124,200	449,448	1,279,680
Reconciliation of funds:					
Total funds brought forward	16	3,911,406	528,926	4,440,332	3,160,653
Total funds carried forward	16	4,236,654	653,126	4,889,780	4,440,332

The notes on pages 27 to 44 form part of these financial statements.

John Taylor Hospice Charity
Balance Sheet as at 30th September 2020

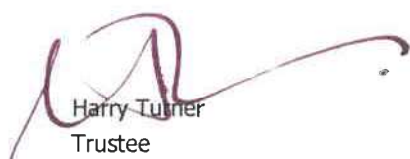
Registered Company no: 08991245

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	1,078,351	1,112,536
Investments	13	1,051,552	1,923
		<u>2,129,903</u>	<u>1,114,459</u>
CURRENT ASSETS			
Debtors	14	434,031	1,275,175
Cash at bank and in hand		2,958,063	2,417,279
		<u>3,392,094</u>	<u>3,692,454</u>
CURRENT LIABILITIES			
Creditors: amounts due within one year	15	(632,217)	(366,581)
		<u>2,759,877</u>	<u>3,325,873</u>
NET CURRENT ASSETS			
		<u>4,889,780</u>	<u>4,440,332</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,889,780</u>	<u>4,440,332</u>
NET ASSETS			
		<u>4,889,780</u>	<u>4,440,332</u>
REPRESENTED BY			
Restricted funds	16	653,126	528,926
Unrestricted funds	16	<u>4,236,654</u>	<u>3,911,406</u>
		<u>4,889,780</u>	<u>4,440,332</u>

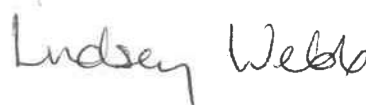
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 27 to 44 form part of these financial statements.

The financial statements were approved on behalf of the Trustees and authorised for issue on 15/2 2021 and signed on their behalf by:


Harry Turner
Trustee

Lindsey Webb
Trustee



John Taylor Hospice Charity
Statement of Cash flows for the Year ended 30th September 2020

	<i>2020</i> £	<i>2019</i> £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the reporting period (as per the statement of financial activities)	449,448	1,279,680
Adjustments for:		
Depreciation charges	190,345	192,874
Gains on investments	(49,629)	(198)
Dividends and interest from investments	(3,845)	(1,755)
Increase in debtors	841,144	(888,337)
Decrease in creditors	265,635	(6,387)
Transfer of Asset LOF	-	(357,092)
Net cash provided by operating activities	1,693,098	218,785
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends and interest from investments	3,845	1,755
Proceeds from the sale of property, plant and equipment	-	251
Purchase of property and equipment	(156,159)	(120,231)
Purchase of investments	(1,000,000)	-
Net cash used in investing activities	(1,152,314)	(118,225)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	540,784	100,560
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	2,417,279	2,316,719
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	2,958,063	2,417,279

John Taylor Hospice Charity

Accounting Policies for the Year Ended 30th September 2020

GENERAL INFORMATION

John Taylor Hospice Charity ("the charity") is a charitable company limited by guarantee and is incorporated in England, UK (Company registration number 08991245 and charity number 1156964). The address of the Charity's registered office and principal place of business is 76 Grange Road, Erdington, Birmingham B24 0DF.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Companies Act 2006.

John Taylor Hospice Charity meets the definition of a public benefit entity under the Charities Act. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in sterling which is also the functional currency of the charity.

GOING CONCERN

John Taylor Hospice Charity directors have prepared the Charity entity accounts on a going concern basis because assurance has been gained from the main NHS funder that their contract to procure services from the hospice will run until 31 March 2023 at the earliest and the impact of Covid 19 has been considered.

INCOME

All income is included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy and will probably be received. The following specific policies are applied to particular categories of income:

- Donations receivable for the general purposes of the charity are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds.
- Donations income is accounted for on a cash receipt basis.
- For legacies, entitlement is taken at the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
- Investment income is recognised on an accruals basis.
- Grants receivable are recognised in the statement of financial activities when the conditions for receipt have been complied with.
- Other income is accounted for in the year in which the service is provided.
- The value of voluntary work is not included in the financial statements.
- Clothing and other items donated for resale through the charity shops are included as incoming resources when they are sold. They are not included at valuation prior to being sold

John Taylor Hospice Charity

Accounting Policies for the Year Ended 30th September 2020

as it has been deemed impractical to measure the fair value of the goods and the cost of valuation would outweigh the benefit to the users of the accounts.

- Grants received from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income can be deferred if received in advance of meeting performance conditions of if the funder specifically states that the income must be spent in a future accounting period

EXPENDITURE

Liabilities are recognised as expenditure or deferred on the balance sheet as soon as there is a legal or constructive obligation committing the charity to the expenditure. The following specific policies are applied to particular categories of expenditure:

- Expenditure on raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable activities include expenditure include both direct costs and support costs relating to the activity together with governance costs.
- Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the trustees, professional indemnity insurance for trustees and officers, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

FUND ACCOUNTING

General unrestricted funds comprise the accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.

Restricted funds are created when grants and donations are received either for a particular area or purpose, the use of which is restricted to that area or purpose. Expenditure is charged to the statement of financial activities when incurred and allocated against the fund as appropriate.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

John Taylor Hospice Charity

Accounting Policies (continued)

Financial Assets

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in Statement of Financial Activities.

Financial Liabilities

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

OPERATING LEASES

Operating leases are charged to the Statement of Financial Activities equally over the period to which they relate.

PENSION COST

Past and present eligible employees are covered by the provision of the NHS Pension Scheme. Details of the benefits payable under the provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers these employers, GP Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The scheme is not designed to be run in a way that would enable those bodies to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as if it were a defined contribution scheme: the cost to the company of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. For non-eligible employees, those who join the company and have not been previously part of the NHS Pension Scheme, the company offers a personal pension plan administered by Royal London (previously known as Scottish Life). This scheme is also accounted for as a defined contribution scheme with costs to the company of participating in the scheme taken as equal to the contributions payable to the scheme for the accounting period.

John Taylor Hospice Charity

Accounting Policies (continued)

TANGIBLE FIXED ASSETS

Tangible assets are stated at cost less depreciation. Depreciation is provided on a straight line basis to write off fixed assets over their estimated useful lives as follows:

Freehold Land and Buildings	over 50 years
Leasehold improvements	over 50 years
Computer Equipment	over 3 years
Fixtures, fittings, vehicles	over 2 to 6 years
Clinical	over 4 years
Retail fixtures and fittings	over term of the lease

Freehold land and assets in the course of construction are not depreciated.

Assets costing less than £1,000 are written off in the year of acquisition unless deemed suitable for 'home' or 'individual' use. All other assets are capitalised.

Leasehold improvements to the hospice are written down in line with the building policy over 50 years as is the opinion of the directors the lease of the hospice is interlinked with the freehold buildings and they should have the same period of depreciation.

Impairment of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the company estimates the recoverable amount of the asset. Shortfalls between the carrying value of fixed assets and the recoverable amount, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses in the Statement of Financial Activities.

INVESTMENTS

Investments are stated at their market value at year end. All movements in value are shown in the Statement of Financial Activities.

TAXATION

The company has been granted exemption by HMRC from any corporation tax liability on its charitable activities.

John Taylor Hospice Charity
Accounting Policies (continued)

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements may require management to make significant judgements and estimates.

Significant judgements

Donated goods for resale are not included at valuation prior to being sold as it has been deemed impractical to measure the fair value of the goods and the cost of valuation would outweigh the benefit to the users of the accounts.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

John Taylor Hospice Charity
Notes to the financial statements for the Year Ended September 2020

1 INCOME FROM DONATIONS AND LEGACIES

	<i>Unrestricted Funds 2020 £</i>	<i>Restricted Funds 2020 £</i>	<i>Total 2020 £</i>	<i>Total 2019 £</i>
Donations	363,738	-	363,738	393,997
Gift Aid on donations	9,450	-	9,450	13,474
Legacies	197,355	-	197,355	282,835
Grants	2,800	76,162	78,962	159,809
HUK Grant	178,597	-	178,597	
	<u>751,940</u>	<u>76,162</u>	<u>828,102</u>	<u>850,115</u>
<i>Total 2019</i>	<u><u>722,655</u></u>	<u><u>127,460</u></u>	<u><u>850,115</u></u>	

2 INCOME FROM CHARITABLE ACTIVITIES

	<i>Unrestricted Funds 2020 £</i>	<i>Restricted Funds 2020 £</i>	<i>Total 2020 £</i>	<i>Total 2019 £</i>
NHS grants and contracts for patient care	5,380,163	121,759	5,501,922	4,913,707
	<u>5,380,163</u>	<u>121,759</u>	<u>5,501,922</u>	<u>4,913,707</u>
<i>Total 2019</i>	<u><u>4,913,707</u></u>	<u><u>-</u></u>	<u><u>4,913,707</u></u>	

3 OTHER TRADING ACTIVITIES

	<i>Unrestricted Funds 2020 £</i>	<i>Restricted Funds 2020 £</i>	<i>Total 2020 £</i>	<i>Total 2019 £</i>
Other income	146,081	-	146,081	8,928
Lottery income	36,383	-	36,383	27,509
Retail income	153,684	-	153,684	246,360
	<u>336,148</u>	<u>-</u>	<u>336,148</u>	<u>282,797</u>
<i>Total 2019</i>	<u><u>282,797</u></u>	<u><u>-</u></u>	<u><u>282,797</u></u>	

Included within retail income is £14,079 of gift aid reclaimed (2019 - £17,007)

John Taylor Hospice Charity
Notes to the financial statements (continued)

4 INVESTMENT INCOME

	<i>Unrestricted Funds 2020 £</i>	<i>Restricted Funds 2020 £</i>	<i>Total 2020 £</i>	<i>Total 2019 £</i>
Bank interest	3,845	-	3,845	1,755
	<u>3,845</u>	<u>-</u>	<u>3,845</u>	<u>1,755</u>
<i>Total 2019</i>	<u><u>1,755</u></u>	<u><u>-</u></u>	<u><u>1,755</u></u>	

5 ANALYSIS OF EXPENDITURE

	<i>Staff costs 2020 £</i>	<i>Depreciation 2020 £</i>	<i>Other costs 2020 £</i>	<i>Total 2020 £</i>	<i>Total funds 2019 £</i>
(a) <i>Costs of raising funds</i>					
Expenditure on raising voluntary income	172,709	-	41,684	214,393	182,439
	<u>172,709</u>	<u>-</u>	<u>41,684</u>	<u>214,393</u>	<u>182,439</u>
(b) <i>Charitable activities</i>					
Expenditure relating to delivery of NHS grants and contracts for patient care	4,948,444	162,069	668,858	5,779,371	5,414,983
	<u>4,948,444</u>	<u>162,069</u>	<u>668,858</u>	<u>5,779,371</u>	<u>5,414,983</u>
(c) <i>Trading Activities</i>					
Expenditure on Trading Activities	149,593	28,276	98,565	276,434	252,073
	<u>149,593</u>	<u>28,276</u>	<u>98,565</u>	<u>276,434</u>	<u>252,073</u>
<i>Total 2020</i>	<u><u>5,270,746</u></u>	<u><u>190,345</u></u>	<u><u>809,107</u></u>	<u><u>6,270,198</u></u>	<u><u>5,849,495</u></u>
<i>Total 2019</i>	<u><u>4,910,523</u></u>	<u><u>192,027</u></u>	<u><u>747,215</u></u>	<u><u>5,849,495</u></u>	

John Taylor Hospice Charity
Notes to the financial statements (continued)

6	EXPENDITURE ON FUNDRAISING VOLUNTARY INCOME	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>	<i>Total</i>
		2020	2020	2020	2019
		£	£	£	£
	Fundraising costs				
	Staff costs	172,709	-	172,709	141,474
	Depreciation	-	-	-	-
	Other costs	41,684	-	41,684	40,965
		<u>214,393</u>	<u>-</u>	<u>214,393</u>	<u>182,439</u>
	<i>Total 2019</i>	<u>182,439</u>	<u>-</u>	<u>182,439</u>	
7	ANALYSIS OF EXPENDITURE BY ACTIVITIES	<i>Activities undertaken directly</i>	<i>Support costs</i>	<i>Total</i>	<i>Total funds</i>
		2020	2020	2020	2019
		£	£	£	£
	NHS grants and contracts for patient care	4,442,743	1,336,629	5,779,372	5,414,983
	<i>Total 2019</i>	<u>4,035,027</u>	<u>1,379,957</u>	<u>5,414,983</u>	
8	DIRECT COSTS			<i>Total</i>	<i>Total</i>
				2020	2019
				£	£
	Drugs			34,311	27,329
	Medicinal supplies			80,588	65,747
	Covid Supplies			74,925	-
	Cleaning and laundry			32,177	30,295
	Catering			37,137	37,835
	Small equipment			15,335	13,491
	Training			43,515	37,892
	Depreciation			162,069	166,830
	Contracted medical staff			139,449	132,946
	Wages and salaries			3,193,694	2,906,195
	National insurance			272,618	249,102
	Pension cost			356,925	367,365
				<u>4,442,743</u>	<u>4,035,027</u>

John Taylor Hospice Charity
Notes to the financial statements (continued)

9 **SUPPORT COSTS**

	<i>Total</i> 2020 £	<i>Total</i> 2019 £
Premises costs	76,416	74,439
Travelling and subsistence	43,929	43,050
Office costs	156,165	174,268
Repairs and renewals	19,489	21,833
Legal and professional	48,225	48,351
Other costs	50,014	37,540
Wages and salaries	768,863	816,101
National insurance	91,621	82,538
Pension cost	81,907	81,837
	<u>1,336,629</u>	<u>1,379,957</u>

10 **NET INCOME**

	<i>Total</i> 2020 £	<i>Total</i> 2019 £
This is stated after charging:		
Depreciation of tangible fixed assets	190,345	192,027
Operating lease rentals	51,437	47,504
Auditors remuneration – audit	12,750	12,500
Auditors remuneration – non audit	250	-
	<u>255,782</u>	<u>252,031</u>

John Taylor Hospice Charity
Notes to the financial statements (continued)

11 STAFF COSTS

	<i>Total</i> 2020 £	<i>Total</i> 2019 £
Staff costs were as follows:		
Wages and salaries	4,290,691	3,984,993
Social security costs	384,486	350,708
Other pension costs	456,120	424,348
	<u>5,131,297</u>	<u>4,760,049</u>
Agency and contracted staff	<u>139,449</u>	<u>150,204</u>
	<u>5,270,746</u>	<u>4,910,253</u>

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

	<i>Total</i> 2020 No	<i>Total</i> 2019 No
Hospice	133	125
Management and administration	23	22
	<u>156</u>	<u>147</u>

The number of higher paid employees was:

	<i>Total</i> 2020 No	<i>Total</i> 2019 No
In the band £60,001 - £70,000	5	3
In the band £70,001 - £80,000	2	1
	<u>7</u>	<u>4</u>

During the year, no Trustees received any remuneration (2019 - £NIL).

During the year, no Trustees received any benefits in kind (2019 - £NIL).

During the year, two Trustees received reimbursement of expenses for travel and subsistence for £708 (2019 - £995).

Included within the wages and salaries are staff termination costs of £0 (2019 - £76,470).

John Taylor Hospice Charity

Notes to the financial statements (continued)

Staff Costs (Continued)

During the financial year volunteers made regular commitments to support John Taylor Hospice. These roles include day hospice hosts, drivers, photography, fundraising, gardening and finance. In addition volunteers gave corporate social responsibility time in projects including painting and gardening. No Trustee received any emolument or payment for professional or other services.

Key management remuneration

The key management personnel of the charity comprise of the executive staff as listed on page 3. The total employee benefits of the key management personnel of the Charity were £396,644 (2019 - £372,846).

John Taylor Hospice Charity
Notes to the financial statements (continued)

12 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Leasehold Improvements	Computer Equipment	Fixtures, Fittings, Vehicles	Clinical	Retail Fixtures & Fittings	Total
	£	£	£	£	£	£	£
Cost:							
1 October 2019	529,770	322,302	534,191	203,678	265,694	141,386	1,997,021
Additions	-	22,854	98,145	-	35,160	-	156,159
Disposals	-	-	-	-	-	-	-
30 September 2020	529,770	345,156	632,336	203,678	300,854	141,386	2,153,180
Depreciation:							
1 October 2019	23,109	31,647	443,642	142,095	211,869	32,123	884,484
Charged in the period	9,279	6,513	91,709	21,873	32,695	28,276	190,345
Eliminated on disposal	-	-	-	-	-	-	-
30 September 2020	32,388	38,160	535,351	163,968	244,564	60,399	1,074,829
Net book value	497,382	306,996	96,985	39,710	56,290	80,987	1,078,351
30 September 2020							
30 September 2019	506,661	290,655	90,549	61,583	53,825	109,263	1,112,536

John Taylor Hospice Charity
Notes to the financial statements (continued)

13 INVESTMENTS

The company has an investment of quoted shares and these have been valued at market value of £1,940 (2019: £1,923). These were gifted to the company with the request they be retained as an investment to secure dividend income. During 2019/20 Quilter Cheviot were appointed as Investment Managers overseeing a £1m portfolio. The company also invested £30,000 in 2016/17 to take a 15% equity stake in a new business start-up called Glass Twin Limited. This investment has been written down to zero to reflect that business being difficult to value and being in start-up phase.

	<i>Total/ 2020 £</i>	<i>Total/ 2019 £</i>
Cost:		
1 October 2019	1,923	1,725
Additions	1,000,000	-
Unrealised gain	49,629	198
	<hr/>	<hr/>
30 September 2020	1,051,552	1,923
	<hr/>	<hr/>

14 DEBTORS

	<i>Total/ 2020 £</i>	<i>Total/ 2019 £</i>
Trade debtors	234,618	316,285
Other debtors	33,990	36,317
Prepayments and accrued income	165,423	922,573
	<hr/>	<hr/>
	434,031	1,275,175
	<hr/>	<hr/>

15 CREDITORS

	<i>Total/ 2020 £</i>	<i>Total/ 2019 £</i>
Trade creditors	61,237	75,215
Other taxation and social security	100,947	93,102
Corporation tax	10	10
Other creditors	187,733	59,609
Accruals and Deferred income	282,290	138,645
	<hr/>	<hr/>
	632,217	366,581
	<hr/>	<hr/>

Other creditors include £62,606 (2019: £57,874) of outstanding pension contributions.

John Taylor Hospice Charity
Notes to the financial statements (continued)

16 STATEMENT OF FUNDS

	<i>Brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains on investment</i>	<i>Carried forward</i>
	£	£	£	£	£	£
Unrestricted funds	3,911,406	6,472,096	(6,244,400)	47,923	49,629	4,236,654
Restricted funds						
SEIF	170,823	-	-	(2,634)	-	168,189
League of Friends	316,833	-	-	(29,676)	-	287,157
EOL	-	121,759	(14,283)	-	-	107,476
Other	41,270	76,162	(11,515)	(15,613)	-	90,304
Total restricted funds	528,926	197,921	(25,798)	(47,923)	-	653,126
Total funds	4,440,332	6,670,017	6,270,199	-	49,629	4,889,780
<i>2019 comparative</i>	<i>Brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains on investment</i>	<i>Carried forward</i>
	£	£	£	£	£	£
Unrestricted funds	2,634,360	7,001,716	(5,781,016)	56,348	-	3,911,406
Restricted funds						
SEIF	173,466	-	-	(2,643)	-	170,823
League of Friends	322,297	88,988	(53,007)	(41,445)	-	316,833
Other	30,530	38,472	(15,472)	(12,260)	-	41,270
Total restricted funds	526,293	127,460	(68,479)	(56,348)	-	528,926
Total funds	3,160,653	7,129,176	(5,849,495)	-	-	4,440,332

John Taylor Hospice Charity

Notes to the financial statements (continued)

The hospice has the following restricted funds, created as a result of conditions imposed by the funder:

- SEIF: funding used for capital purchase of property and refurbishment required
- League of Friends: funding used for capital work on property, purchase of a vehicle for patient transport and large clinical items required for the IPU
- EOL: Central government funding provided for IT and infrastructure initiatives to aid a cross city hospice service provision.
- Other: Funding currently held for Dementia project, complementary therapy project, Children's bereavement project, a family room, a young persons room and a social hub.

17 SPLIT OF NET ASSETS BY FUND

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total Funds 2020 £</i>	<i>Total Funds 2019 £</i>
Tangible fixed assets	538,115	540,236	1,078,351	1,112,536
Fixed asset investments	1,051,552	-	1,051,552	1,923
Current assets	3,279,204	112,890	3,392,094	3,692,454
Creditors due within one year	(632,217)	-	(632,217)	(366,581)
	<u>4,236,654</u>	<u>653,126</u>	<u>4,889,780</u>	<u>4,440,332</u>
<i>2019 comparative</i>	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total Funds 2019 £</i>	<i>Total Funds 2018 £</i>
Tangible fixed assets	583,610	528,926	1,112,536	828,339
Fixed asset investments	1,923	-	1,923	1,725
Current assets	3,692,454	-	3,692,454	2,703,557
Creditors due within one year	(366,581)	-	(366,581)	(372,968)
	<u>3,911,406</u>	<u>528,926</u>	<u>4,440,332</u>	<u>3,160,653</u>

John Taylor Hospice Charity

Notes to the financial statements (continued)

18 PENSION COSTS

The majority of past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The scheme is not designed to be run in a way that would enable these bodies to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as if it were a defined contribution scheme: the cost to the company of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A number of employees fell outside the parameters of the direction provided by the Secretary of State, in England and Wales and as such do not qualify for the NHS Pensions Scheme. As such an alternative pension scheme is provided on a defined contribution basis with Royal London. This scheme commenced in October 2013 and is also accounted for as a defined contribution scheme: the cost to the company of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. The scheme complies with pension's auto-enrolment legislation.

Total contributions to both schemes amounted to £456,120 (2019: £424,348).

There are seven rates of member contribution in the NHS Pensions Scheme, ranging from 5% of pensionable pay for the lowest earners up to 14.5% for highest earners, based on the whole time equivalent pensionable pay. The thresholds at which the rates change are linked to nationally agreed pay rates at set levels and are based on salaries equivalent to someone working full time. If the overall cost of the scheme increases, the amount both members and the company contribute may also increase. The costs of the scheme are determined by the Government and also the scheme actuary who performs periodic valuations of the scheme to determine how much needs to be paid in to provide the benefits paid out. These costs are shared between the employers and the NHS Pensions Scheme members.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM (The Government Financial Reporting Manual) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience) and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was as at 31 March 2016 (published in February 2019), the previous actuarial valuation was carried out as at 31 March 2012. The primary purpose of the 2016 actuarial valuation was to set the employer contribution rate payable from April 2019. Both the employer contribution rate and employer cost cap will be included in Scheme Regulations. The next actuarial valuation is expected to be carried out as at 31 March 2020.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data are accepted as providing suitably robust figures for financial reporting

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

John Taylor Hospice Charity

Notes to the financial statements (continued)

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the scheme or the specific conditions that must be met before these benefits can be obtained:

On 1 April 2008 a new section of the NHS Pension Scheme was introduced for new members. Most members of the Pension Scheme prior to 1 April 2008 are in the **1995 section**. New joiners on, or after, 1 April 2008 are members of the **2008 section**. The changes introduced new rules for NHS employees joining from 1 April 2008 and modified the rules for those already in the pension scheme prior to this date.

The scheme is a "final salary" scheme. Members in the **1995 Section** receive a pension worth 1/80th of the best of the last three year's pensionable pay for each year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon 1.4% of total pensionable earnings over the relevant pensionable service. Members in the **2008 Section** receive a pension worth 1/60th of the average of the best three consecutive years' pensionable pay in the last ten for each year of membership. Members who are practitioners, as defined by the Scheme Regulations have their annual pensions based upon 1.87% of total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVCs run by the scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers. For the year to 30 September 2020 the employer contribution rate was 14.38% of pensionable pay with employee rates (before tax relief) varying between 5% and 14.5 %.

19 RELATED PARTY TRANSACTIONS

The Non-Executive Director Trustees were not paid during the year, but were reimbursed expenses totalling £708. No Trustee received any emolument or payment for professional or other services. In May 2020 the CEO at John Taylor Hospice was appointed the joint CEO for John Taylor and St Mary's Hospice, on a monthly basis 50% of the related payroll costs are invoiced to St Mary's.

John Taylor Hospice Charity
Notes to the financial statements (continued)

20 FINANCIAL COMMITMENTS

Operating Lease Commitments

As at 30th September 2020 the company had total commitments under non-cancellable operating leases as follows:

	2020	2019
	£	£
land and buildings:		
payable within 1 year	67,000	65,292
payable within 2 and 5 years	64,750	131,750
	<u>131,750</u>	<u>197,042</u>

Annual Governance Statement 2019-20

1 Scope of responsibility

John Taylor Hospice became a charity on 1st April 2018 and dissolved its previous form as a Community Interest Company in October 2018. The Trustees are accountable for producing an annual statement of corporate governance at the beginning of the charity's financial year, having responsibility for maintaining a sound system of internal control that supports the achievement of the charity's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which they are responsible. They are also responsible for ensuring that the Charity is administered prudently and economically and that resources are applied efficiently and effectively. The following constitutes the Annual Statement for 2019/2020.

The charity has a duty of partnership to discharge, and therefore works collaboratively with other partner organisations and this is being achieved through working wherever possible with the appropriate Local Authorities, other voluntary sector organisations, NHS commissioning bodies, other hospices and the local population. The Charity has a range of formal and informal mechanisms in place to facilitate effective working with key partners, including participation in the Birmingham Sustainability and Transformation Programme and local safeguarding Board processes. The Charity is monitored and assessed by a wide range of external agencies that contribute to the on-going development of the Risk Management Framework. These have included the local Clinical Commissioning Groups, Sandwell and West Birmingham Hospitals as the lead contractor for the End of Life Care contract commissioned by Sandwell and West Birmingham CCG, the Care Quality Commission, the charity's external auditor, the Charity Commission, Institute of Fundraising as well as local Healthwatch and the local users of the service. This is not an exhaustive list of organisations that monitor and assess the charity. Close links continue with Hospice UK. Existing links with St Mary's Hospice have been strengthened with the Chair of the Board of Trustees at John Taylor Hospice becoming Chair of the Board at St Mary's Hospice in March 2020. In May 2020 the CEO at John Taylor Hospice was appointed the joint CEO for John Taylor and St Mary's Hospice.

At the end of the financial year 2018-19, the League of Friends for John Taylor Hospice merged with the John Taylor Hospice. Assets belonging to the League of Friends were transferred to the hospice.

2 The purpose of the system of internal control

The system of internal control is designed to manage risk to an acceptable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to:

- identify and prioritise the risks to the achievement of the organisation's aims and objectives,
- evaluate the likelihood of those risks being realised and the consequence should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in John Taylor Hospice Charity for the year ended 30th September 2020 and up to the date of approval of the annual report and accounts.

3 Capacity to handle risk

Within the organisation, the Charity has a functioning Clinical Governance Committee, Finance Committee and a Health & Safety Committee which report to the Board together with the Senior Management Team (SMT). The SMT guides the development of risk management and monitors its effectiveness as the approach to risk management is enhanced.

The Executive lead for Risk Management is the Director of Clinical Services and Deputy Chief Executive. The Director of Clinical Services is also the appointed Executive Lead on Clinical Governance and oversees the Clinical Governance Committee. The Director of Finance & IT leads on

John Taylor Hospice Charity

Annual Governance Statement 2019 -20

financial risk, Cyber Fraud and counter fraud and the CEO and Board Secretary on Corporate Governance.

Risk Management is an integral part of the charity's approach to continuous quality improvement and is intended to support and assist the organisation in delivering its key objectives.

During the year the Board received reports on key risk areas and has overseen and reviewed the on-going development of the Risk Register. A regular review of the assurance provided by the risk register is undertaken by the Quality Governance Committee, Audit and Assurance Committee and the Finance and Performance Committee for the risks allocated to them, which is then collated and presented to the Board on a quarterly basis.

The Clinical Governance Committee looks specifically at incidents and serious incidents. It also considers complaints, audits, research overviews and patient feedback in the form of complaints and comments. It oversees the registration and regulation from the CQC and reviews safety alerts and safeguarding issues.

During 2019-20, five new sub groups have been established, Patient Safety, Medicines Management, Clinical Audit, Research and Mortality. These groups report into the Clinical governance committee to provide robust governance and assurance that risks are being managed within Clinical Services and to ensure that learning from incidents is embedded.

Staff continue to be made aware of their risk responsibilities as part of the induction process, they have allocated time with members of the Governance team. Existing staff are required to attend a mandatory annual update in respect of fire risk. The role of individual staff in managing risk is also supported by a framework of policies and procedures which promote learning from experience and sharing of good practice.

During 2019-20, five new small groups have been formed who report in to the Clinical Governance Committee: Patient Safety, Medicines Management, Clinical Audit, Research and Mortality. These groups who meet regularly and have set terms of reference help to provide assurance that risks are being managed in Clinical Services and to ensure that learning from incidents is embedded.

Staff continue to be made aware of their risk responsibilities as part of the induction process, including through time spent with members of the Governance team and existing staff are required to attend a mandatory annual update in respect of fire risk. The role of individual staff in managing risk is also supported by a framework of policies and procedures which promote learning from experience and sharing of good practice.

The Charity continues to learn lessons in a variety of ways, including from the following sources:

- Patient and Carer feedback
- Complaints and compliments
- Clinical Audit and Clinical Outcome Reviews
- Clinical Incident Reports, reviews and analysis including serious incidents and never events
- External Reports (for example the Saville inquiry)
- Patient and Staff surveys
- Internal quality inspections
- Quality performance metrics
- External reviews by the CQC, and Clinical Commissioning Groups.

This is not an exhaustive list of organisations that provide us with reports from which we can learn lessons.

Serious incidents and never events as well as complaints are thoroughly investigated and improvements made at local and corporate levels to reduce the likelihood of reoccurrence.

John Taylor Hospice Charity

Annual Governance Statement 2019 -20

The Charity has a Risk Register in place which outlines the key corporate risks for the organisation and actions identified to mitigate these risks. This register has been formed from the risks identified within clinical departments and corporate services.

There is one current risk which is red rated and there are 9 risks rated high.

The red extreme risk is

- Lack of senior leadership capacity by moving to joint CEO across two hospices

Of the ten risks rated high, 5 relate to the impact of the current Coronavirus Pandemic and the others include:

- Post Brexit supplies including medicines being at risk
- Risk of poor CQC assessment
- Absence of security out of hours
- Risk of legionella growth

4 Governance

The voting members of Board during 2019/2020 were as follows:

Harry Turner, Chairman and Trustee

Lindsey Webb Trustee, Senior Independent Director

Kimara Sharpe, Trustee

Jean-Luc Priez, Trustee until 30/6/20

Bev Edgar, Trustee

Daniel Timms, Trustee until 14/1/20

Rob Pickup, Trustee

Jonathan Shapiro, Trustee

Jackie Kelly, Trustee

Paul Wainwright, Trustee

Gordon Snelgrove, Trustee from 2/1/20

Mike Goodwin, Trustee from 28/4/20

Peter Shanahan, Trustee from 7/5/20

Non-voting members of Board were:

Penny Venables, Chief Executive

Gail Hipkiss, Director of Corporate and Commercial Services

Sarah Mimmack, Director of Clinical Services

Joanna Duggan, Director of Income Generation and Marketing

Alex McQuinn Director of Finance & IT

In attendance at the Board

Kate Ellis, Board Secretary

At all meetings there were more Trustee voting members present than officers of the charity.

Board attendance: 83 This represents 9 absences in total throughout the year.

It should be noted that in the height of the Coronavirus Pandemic in April 2020, the subcommittees did not meet. The Board did meet in April 2020. Since April 2020 all Board and subcommittee meetings have been held online using the Microsoft Teams platform.

4.1 Committees as at 30th September 2020

During 2019/20 the Board had the following committees:

- Quality Governance Committee
- Finance and Performance Committee
- Audit and Assurance Committee

John Taylor Hospice Charity Annual Governance Statement 2019 -20

- Remuneration Committee

Terms of reference for the committees are in place and are reviewed at least annually. Each Committee reports to the Board following a meeting. These reports highlight the activities of the Committee and draw the Board's attention to areas of concern. The purpose together with the attendance for each committee is shown below:

Quality Governance Committee

To enable the Board to obtain assurance that the quality of care within the Charity is of the highest possible standard.

To ensure that there are appropriate clinical governance systems and processes and controls are in place throughout the Charity in order to:

- Promote safety and excellence in patient care
- Identify, prioritise and seek assurance on the effective management of clinical risks
- Ensure the effective and efficient use of resources through evidence based clinical practice

Attendance overall: 89% this represents 2 absences in total.

Finance and Performance Committee

To act as a sub-committee of the Board of Trustees to:

- Give the Board assurance on the management of the financial and corporate performance of the Charity
- Monitor and support the financial planning and budget setting process
- Review business cases with a significant financial impact
- Oversee developments in financial/IT systems and reporting
- Oversee developments in Retail and reporting
- To conduct post implementation reviews of all major business cases approved by the Committee
- To monitor the Income Generation and fundraising function of the charity to provide scrutiny and assurance to the Board that plans and activities can reasonably be expected to meet the annual income generation requirement agreed by the Board

Attendance overall: 94% this represents 1 absence in total during the year.

Audit and Assurance Committee

The Audit and Assurance Committee has been established to critically review the governance and assurance processes upon which the Board of Trustees places reliance, ensuring that the organisation operates effectively and meets its strategic objectives. It is established as a committee of the Board and its specific purpose is to assist the Board of Trustees of the Charity in fulfilling its responsibilities in respect of:

- overseeing the Charity's financial reporting process, including the internal control structure and procedures for financial reporting and monitoring the integrity and appropriateness of the Charity's financial statements;
- the manner in which the Charity's management ensures and monitors the adequacy of financial, operational and compliance internal controls and risk management processes designed to manage significant risk exposures;

John Taylor Hospice Charity Annual Governance Statement 2019 -20

- the selection, compensation, independence and performance of the external auditors

Attendance overall: 87% this represents 2 absences.

5 The risk and control framework

The Health and Safety Policy and the Risk Management Policy are integral parts of the Charity's approach to continuous quality improvement and risk management. This is also encapsulated in the risk management practice guide, available to all staff. It is intended to support and assist the organisation in delivering its key objectives.

During the year the Board received reports on key risk areas and has overseen and reviewed the on-going development of the Charity Risk Register. A regular review of risks is undertaken on a monthly basis at the SMT meeting. In addition, each Board Committee regularly reviews their areas of responsibility which is then collated and presented to the Board.

Risk Management is embedded within the organisation through the Charity's team meeting structure which feeds into the clinical governance committee and the health and safety forum. A system of risk assessment is built into the charity's process for the development of future plans and through the consideration of all risk management issues at the planning stage of organisational/clinical changes. Embedding also takes place through the existence of an incident reporting and feedback system.

Innovation and learning in relation to risk management is considered to be critical. During 2019-20 the Charity started work on creating a Board Assurance Framework. Unfortunately, the Coronavirus Pandemic has impacted upon this work and it is unlikely to be completed until 2020-21. The charity identifies and makes improvements as a result of incidents and near misses in order to ensure it learns lessons and closes the loop by improving safety for service users, staff and visitors. The governance team is working with clinical teams to reinforce learning from incidents; this will be facilitated by introducing an Action Log tracker, monthly reports will be produced on all actions. Department leads will be responsible for ensuring actions have been implemented and embedded within the organisation. Closing the loop on actions arising from incidents will help to provide assurance; this will be monitored monthly by the governance team. To facilitate this, the existing Datix version needs to be upgraded to the cloud.

The Charity aims to operate within a just, honest and open culture where staff are assured they will be treated fairly and with openness and honesty when they report adverse incidents or mistakes. The Charity has a Being Open Policy that meets the new Duty of Candour for health organisations and the Senior Independent director also fills the role of Board Being Open Champion. The Director of Clinical Services is the Freedom to Speak Up Guardian and a number of Freedom to speak up Ambassadors have been identified amongst the staff body.

The Charity places a high priority on the secure handling of personal, confidential data (PCD) on behalf of its patients and staff and has measures in place to ensure the security of its information resources and assets.

The Charity meets the criteria set within the annual submission of the Data Security and Protection Toolkit. The Chief Finance Officer acts as Senior Information Risk Owner and Data Protection Officer alongside the Director of Clinical Services who acts as the Caldicott guardian. An information governance steering group is in place and there is an IG lead within the charity. During 2019/20 there were no serious incidents regarding data loss which had to be reported to the Information Commissioner. The Charity continues to report and investigate any low level incidents internally (Level 0 and 1s) and in all cases remedial action plans are agreed and implemented.

Staff are supported from induction onwards by policies and training in IG and the charity places a high priority on ensuring staff complete their annual Data Protection training in order to ensure they are aware of their responsibilities when handling PCD and to reduce the risk of serious or recurring incidents taking place.

John Taylor Hospice Charity Annual Governance Statement 2019 -20

Stakeholders are able to influence the charity in a number of ways, the Chief Executive meets with the local MP and councillors and regular meetings with the CCGs take place. Public involvement also occurs through the charity complaints procedure and summaries of complaints are reviewed at the clinical governance committee and QGC. A patient/staff or supporter story is brought to the board at each meeting. In addition the charity's Head of Community Engagement is taking forward a programme around engagement and partnership with a variety of stakeholders across the city. Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with through charity policies and training.

As an employer with staff entitled to membership of the NHS Pension scheme, control measures are in place to ensure compliance with all employer obligations contained within the Scheme regulations. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

The charity has arrangements in place for setting objectives and targets on a strategic and annual basis. These arrangements include ensuring the financial strategy is affordable, scrutiny of cost savings in budgets at the start of the year linked to assessment from clinical colleagues that their impact upon the quality of patient care is not negative. Performance against objectives is monitored and actions identified through a number of channels:

- Approval of annual budget by the Board
- Quarterly reporting to the Board on key performance indicators covering finance, activity, patient safety, quality and human resources targets
- Detailed quarterly review of financial and performance targets by QGC and the Finance and Performance committee
- Monthly updates to the Trustees on the Board in the CEO report when a board meeting is not taking place

Procedures are in place to ensure all strategic decisions are considered at Senior Officer and Board level.

As part of the annual accounts review, the hospice's efficiency and effectiveness of its use of resources in delivering clinical services are assessed by its external auditors and the auditor's opinion is published with the accounts.

7 Environmental Statement

The Charity places a high priority on careful stewardship of resources and the environment. All staff and volunteers are expected to take measures to minimise the environmental impact of their activities as much as possible. The Charity has a waste management policy and is committed to recycling paper, cardboard, glass and plastic materials and has facilities in place to ensure this happens.

As part of the Thrive programme, improvement to health and wellbeing are encouraged, one of which is the Cycle to Work Scheme which enables staff to have the option to cycle to work and not drive if feasible to do. Failing this, we actively encourage staff to car share where possible to reduce carbon emissions.

A number of works have been carried out at the hospice to improve the organisation's carbon footprint, these consist of:

- A New boiler, which is more efficient

John Taylor Hospice Charity Annual Governance Statement 2019 -20

- A New generator, to ensure power to the essentials during a power cut, whilst using minimal supplies
- New LED Lighting throughout the building, which will decrease the amount of power needed over the previous bulb versions.

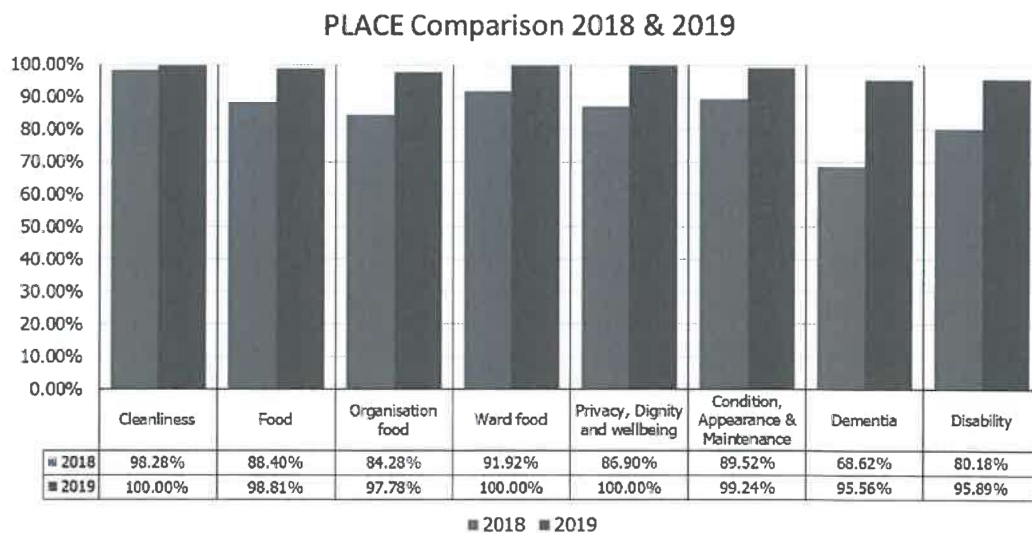
All of which is having a positive impact upon energy use but the hospice recognises that there are still further improvements which can be made.

8 Review of effectiveness

The Board has responsibility for reviewing the effectiveness of the system of internal control. Our review of the effectiveness of the system of internal control is informed by the work of the external auditors, clinical audits and the executive managers and heads of department within John Taylor Hospice. We have also drawn on the content of the Quality Account, Clinical Assurance Reports and other performance information available to us.

Our review is also informed by comments made by the external auditors in their management letter and other reports. We have been advised on the implications of the result of our review of the effectiveness of the system of internal control by the Board, the QGC, the Finance and Performance Committee, SMT, clinical audits, and external audit and by the senior management team members. Plans to address any weaknesses and ensure continuous improvement of the system are in place.

Our review is also informed by reports from external inspecting bodies including external audit and the PLACE inspections. This is the system for assessing the quality of the patient environment. Following successful applications for funding to improve the environment, disability and dementia aspects of the building, the 2019 PLACE results showed significant improvements in all scores compared to 2018 as is illustrated in the table below.



The charity is supported by the Senior Management Team, consisting of the Directors. The SMT Committee brings together the Director team in a formal meeting on a monthly basis, which co-ordinates and prioritises activity within the charity. This structure ensures that clinical leadership and management arrangements are in place supported by robust and clear governance and accountability processes.

9 Compliance with key national targets and standards

The charity is committed to delivering all national and contractual targets and standards and has done this in 2019/20.

10 Conclusion

We have reviewed the relevant evidence and assurances in respect of internal control. The charity and its directors are alert to their accountabilities in respect of internal control. The charity has had in place throughout the year a risk framework, aligned to both our corporate objectives and the CQC standards to assist the Board in the identification and management of risk. Our review confirms that the charity has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

Penny Venables
Chief Executive

Harry Turner
Chair

Date



15/2/21