

THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS

Annual Report

1 October 2019 – 30 September 2020



Reference and Administrative Information

Council of Trustees

David Hollywood	<i>(Chair)</i>
Dr Eliat Aram	<i>(ex officio)</i>
Joel Featherman	<i>(Honorary Treasurer & Chair of the Pensions Committee)</i>
Phil James	<i>(joined July 2020)</i>
Julia Lucas	<i>(resigned January 2020)</i>
Katharina Müller	<i>(joined July 2020)</i>
Stella Okeahialam MBE	
Martin Powell	<i>(joined July 2020)</i>
Viktorija Šmatko-Abaza	<i>(joined January 2020)</i>
Grant Taylor	<i>(joined March 2020)</i>
Prof Christopher Warhurst	<i>(resigned July 2020)</i>
Professor Cliff Oswick	<i>(resigned July 2020)</i>
Ruth Yeoman	<i>(joined July 2020; appointed Chair of HRMC November 2020)</i>

CEO Dr Eliat Aram, PhD, MSc Occup Psych, MSc G Psych, CBAM, Dip IoD

Company Secretary Dr Leslie Brissett JP, PhD MSc (Econ) BSc (Hons) FHM-SA

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Structure, Governance and Management

The Tavistock Institute of Human Relations was established as a not for profit organisation with charitable purpose in 1947. The Institute is governed by its Articles of Association dated 20 September 1947 as amended on 25 June 1963, 20 March 1991 and 22 July 2010. Ultimately accountable to the Association members, a Council of Management act as the board of trustees and work with the CEO and Management team to deliver against the mission and objectives.

Objectives

The Tavistock Institute is dedicated to the study of human relations for the purpose of bettering working life and conditions for all humans within their organisations, communities and broader societies and to the influence of environment in all its aspects on the formation or development of human character or capacity; to conduct research and provide opportunities for learning through experience for this purpose; to publish the results of such study and research; to further the learning of people in their organisations, to offer educational opportunities for individuals in or for any branches of the said study.



Chair's message



Our new Chair was appointed in March 2020, halfway through what has been a tumultuous year for us all. For the first six months, chaired by Cliff Oswick (to whom a big thank you), the Institute worried about the uncertainty surrounding Brexit. In March Covid struck and all our lives have been dominated and transformed by this ever since.

Despite everything going on around them the Institute team has not lost sight of its core values and legacy, which are unchanged, and, in helping the understanding of these, I commend the video link on page 5 to you.

However, Covid did drive major changes to the way we work. Most professional development offerings have moved to online (although the renowned Leicester conference took place very successfully face to face, but in Germany); A lot of work on research projects was done remotely instead of face to face; We engaged with new geographically dispersed audiences.

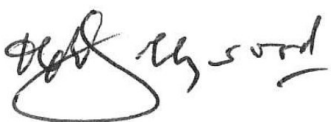
The Institute carried out a large international online survey between April and June 2020 to explore how Covid was impacting front line practitioners and what they were learning from it.

The Institute has demonstrated the role it plays in understanding the challenges to society that Covid has brought. For example, a new section on our website brings together all the work we are doing re Covid.

Our newly opened European subsidiary, Tavistock Institut gGmbH based in Germany, tasked with smoothing the aftermath of Brexit, is working out well.

Membership of Council has changed considerably in 19/20. I would like to welcome the new members of Council and thank both old and new for their support and contribution. This has been a very challenging year for Eliat and her staff and Council would like to thank everybody for their professional, enthusiastic and flexible response.

Despite the huge challenges, 19/20 has been a remarkably successful year for the Tavistock Institute of Human Relations and all concerned are to be congratulated.

A handwritten signature in black ink, appearing to read 'David J. Hollywood'.

David J Hollywood

Chair, Council of Trustees



HIGHLIGHTS

Tavistock Centenary

In September 1920, the Tavistock Clinic was founded and saw its first patient. Later, the Tavistock Institute of Human Relations was incorporated as a charitable organisation in September 1947, emerging from its early years as a social department within the Clinic, and carrying out psychoanalytic work with therapeutic groups and communities. Bringing together staff from various disciplines, the Institute found ways to apply psychoanalytic and open system theories to groups and organisations in order to better understand how to improve working life.

In 2020, we joined together with the Tavistock and Portman NHS Foundation Trust and Tavistock Relationships to celebrate 100 years of the Tavistocks.

For the Centenary Celebrations, we produced a short [video](#) in which Institute staff tell the story of who we are, where we have come from and what our work means to us and the rest of the world. Staff touch on their personal connections with the Institute as well as the wider context and influence of our history.

Covid-19: the first six months

Covid-19 has drastically transformed the world in which we live. At the Institute, we have adapted to work alongside the pandemic rather than against it. Whilst our workload has not slowed, we have adjusted to different ways of working – moving most of our Professional Development programmes and workshops online and carrying out our research and consultancy projects remotely. We have faced new challenges that have led to shifts in our perceptions about the work that we do; our research has taken on new forms. We are continuously learning alongside our partners and clients, as together we face what it means to function and perform not only during a pandemic but also think about the post-Covid world.

In June 2020, Institute staff have re-started the **Connected Leadership programme for Hertfordshire adult social care** senior staff which had been put on hold for the first three months of the pandemic. Staff have managed to progress with the delivery of the programme adapted to the virtual world and in addition offered reflective spaces, support, and supervision to the senior leaders as they navigated the emotional impact of the pandemic on their person, their work and their roles as managers.

At the height of the pandemic, Institute staff delivered an innovative series of **webinars** to circa 200 vets, members of the **Royal College of Veterinary Surgeons**, on topics including: resilience, understanding changes and resistances to it, working in conditions of rapid change and high uncertainty and emotional work with animals.



Impact through Digital Engagement and Social Innovation

With the arrival of the pandemic, the way the Institute has engaged digitally during 2019-20 has increased dramatically. We responded to the crisis as an opportunity to reflect on the existing methods we use and expand the way we use our digital platforms, which has led to us engaging with new, more geographically dispersed, audiences. It has included offering Food for Thought Lunchtime Talks, **Social Dreaming Matrixes**, and many of our Professional Development programmes, online.

We recognise the importance of demonstrating the role the Institute plays in understanding societal challenges and in the current crisis more so than ever. We have published 20 news items and thought pieces concerning the impact of the pandemic on life and work on the website. We also created a [new section of the website](#) to showcase this significant work.

The website promotes all streams of the Institute's work, publishing regular articles 8-9 times a month, plus project case studies, presentations and thought pieces. In 2019-2020 over 103,000 people visited the website. These visitors actively engaged with content 139,000 times; equating to over 326,000 page views over the year.

The website attracts an international audience, 29% of the visitors are from the UK; 20% from the USA and the remaining 51% split across a broad range of geographic locations, including Germany, India, and Australia and Italy in the top five.

Our social media presence continues to grow, with 20,684 followers and connections across the key social media platforms (LinkedIn: 8,200; Facebook: 6,469; Twitter: 5,815; Instagram: 200). The Tavistock Group on LinkedIn, for those interested in Group Relations, currently has over 2,300 subscribers. The content that we share reaches a broad audience and proves to be engaging; for example, on Twitter, we post approximately 114 messages a month, with each message actively seen by around 2,000 people. On Facebook, our posts are seen on average by 330 people each day. People are talking *with* us, and *about* us, for example, on Twitter, we are mentioned approximately 95 times a month. We have also re-directed our Instagram account to share more of the work we do in the arts.

Communication also takes place through branded e-mail campaigns, promoting Professional Development, and other activities, which have been sent to subscribers 68 times during the last year.

With the successful recruitment of an Engagement Assistant in 2019, achieved through a partnership with Goldsmiths, University of London, offering recent Visual Cultures graduates the opportunity to apply for the 2-year role, we have further expanded our creative endeavours. For example, we are now producing films and podcasts that communicate our work in dynamic ways.

Covid-19 Survey

From April to June 2020, we conducted an international online survey of just over 250 professionals plus some qualitative interviews. The aim of this research was to explore how the pandemic has impacted on front-line practitioners and what they have learned from it.

The survey showed that almost all (93%) were forced to change their working practices because of the crisis – this included 79% who said they were now carrying out all their work remotely. Such a radical change in working practices for front-line practitioners was challenging for many of them.



In the words of one therapist: *"You have to use different senses to interpret how the client is feeling as they're not physically in the room with you"*. The survey also showed that many people have found it difficult working in isolation – and to find the inner resources to do their work effectively (60%).

For some people, the 'new reality' has presented opportunities and different ways of working more effectively, including spending less time commuting, new ways of organising their time, and gaining new clients or projects. Given that the 'new reality' is likely to continue despite the availability of vaccinations – this shows that the most challenging circumstances can lead to new beginnings and innovations which transform the way we work and live.

We have shared the results of this research in several ways, including two [Lunchtime Talks](#), attended by more than 60 people and an online [blog article and infographic](#).

A Learning Hub for the Coronavirus Community Support Fund

The Institute is working with Ipsos MORI, New Philanthropy Capital (NPC) and the Third Sector Research Centre who together were commissioned to evaluate the Coronavirus Community Support Fund (CCSF).

The CCSF, distributed by The National Lottery Community Fund, included an allocation of c£200m in Government funding aimed primarily at small to medium charities in England. This money was part of the government's support for voluntary, community and social enterprise (VCSE) organisations in response to Covid-19 and was distributed from the CCSF alongside funding from The National Lottery.

The CCSF set out to increase community support to vulnerable people affected by the Covid-19 crisis, through the work of civil society organisations and reduce temporary closures of essential charities and social enterprises, ensuring services for people impacted have the financial resources to operate.

In addition to exploring the impact of the CCSF, the evaluation contained a learning strand, led by the Institute and managed in collaboration with Ipsos MORI. By setting up an online Learning Hub, we hoped a stronger sector would emerge through sharing the ways organisations and community groups meet the challenges of working through the Covid-19 crisis.

The members-only Learning Hub includes live events, discussions, shared resources and exchange activities. The Hub has provided real-time learning opportunities where people from funded organisations have shared, connected and learnt from each other. There have also been regular learning digests, blogs, podcasts and videos highlighting people's stories and experiences, as well as discussion forums, with themes and content directed by the needs of Hub members.

Digital Surgeries

The Digital Surgery series was created as a response to the gradual, global shift from working face to face, to working online. Launched in January 2020, the surgery sought to meet the needs of employees, managers or consultants who work in the virtual space and to respond to some of the hidden challenges that working this way can present:

- loneliness and isolation of some employees;
- poor connectivity and communication;
- more miscommunications when working with global colleagues;
- difficult team dynamics; and



- off-task virtual meetings.

Team dynamics is an established part of working with groups face to face and in the here and now. The Digital Surgery offers the same space to explore and work with virtual team dynamics, which until recently, had not attracted attention. The goal of the regular sessions was to work with the following questions;

- What can we do about these difficult interactions?
- How do we create effective meetings?
- How do we work through challenging team dynamics at a distance?
- What is going on 'under the surface' in the virtual team (and how to recognise and use this data)?

In the time that the group has been meeting, it has developed and grown into a space that is highly valued by the participants and become the foundation of a community of practice for people working in this way. The surgery will reopen in 2021 and welcomes new participants.

Arts and Organisation

We have continued to develop and grow the Arts and Organisation stream of work. The year began with the **Arch-A-Live!** multi-disciplinary symposium and other achievements included:

- a widening network of artists; artists collectives we are working with;
- joining the internal, an external visiting artist in residence;
- launching the **Deepening Creative Practice with organisations** programme;
- a contribution on *Tavistock and the Arts* in Chapter 8 Working with Groups II in the upcoming publication *An Introduction to Systems Psychodynamics: Volume I*;
- speaker invitations including [Collaborative Conversations](#) at Loughborough University;
- a keynote on self organisation, creativity and the archive as part of a research symposium at Aalto University, Finland.

All part of a growing recognition and reputation for the work and the way it moves beyond using the arts ad hoc to their integration within an evolving social science practice at the Institute.

Mental Health and Wellbeing

Mental health and wellbeing have continued to represent major cross-cutting themes within the Institute's work in 2019-2020, with ongoing research, consultancy, and professional development activities focused on the subject.

This year has seen continued work on evaluations in the sector, such as the evaluation of **Healthy Minds, Brighter Futures** for the Brent Centre for Young People and the evaluation of **Community Mental Health Navigators** for Rethink Mental Illness. Both projects have aimed to support learning and reflection and evidence the impact of new initiatives in the field of mental health.

Research is also ongoing on the **Organisational Exploratory Programme** for The Wellbeing Project, an initiative to promote workplace wellbeing in NGOs across the world. In addition to these research projects 2020 has seen ongoing provision of professional development and consultancy direct to mental health



teams, this includes the reflective practice group run with East London Foundation Trust as well as provision of reflective space for a CAMHS team.

Our staff have participated in professional development to build on our own competencies in the field. This has included a cohort of researcher/consultants undertaking in-depth training on the subject of trauma as a way to better understand the experience of and be better placed to work with project beneficiaries. In part due to this training, we have been able to introduce sessions on trauma-informed approaches in our evaluation of **Barnardo's Strategic Partnerships**.

Beyond those projects primarily focused on mental health and wellbeing - these concepts continue to form part of our wider research and consultancy work. Evaluations such as those of **Coram I, Inside Out** and *Barnardo's Strategic Partnerships*, all primarily focused care-experienced young people each contain a strand on the wellbeing of those young people and have involved the qualitative and quantitative evaluation of mental health outcomes.

Moreover, projects such as the **Women and Girls Initiative**, have seen us explore feminist approaches to mental health and how to support staff in participating organisations where high rates of turnover and burnout result from the content of their work.

Our approach to wellbeing is a nuanced understanding of the leadership and culture of an organisation – working towards whole-organisation wellbeing where the employees are the most valuable asset. The **Tavi-Stocktake: Workplace Wellbeing Review** is now offered online in response to the pandemic.

Centre for Ageing Better work (Evaluation of the Flexible Working Pilot project)

The Institute has been working with the Centre for Ageing Better to evaluate a Flexible Working Pilot project delivered by the Timewise Foundation in a large NHS Trust, and a private sector service provider.

The aim of the pilot is to work with, and support, these two large employers to increase the availability and take up, by older workers (loosely defined as those over 50), of more flexible working arrangements. It involved trialling changes to the working patterns of a cohort of over 50s, with Timewise providing support and guidance for them and their line managers. The pilot completed in February 2020 (therefore before Covid-19).

The overall aim of the evaluation, which started in March 2019, was to understand 'what works' in implementing and facilitating access to flexible working, for which people, and in what kinds of situations; and to explore the individual and organisational factors that support success. The evaluation was designed to unfold in three stages:

1. set up phase, working closely with all stakeholders to identify the pilot's Theory of Change;
2. first round of fieldwork, involving in-depth interviews with pilot participants to understand their experience of the pilot; and
3. follow-up fieldwork phase, interviewing pilot participants, 8 months later, to understand their flexible working journey over time.

Just before our first fieldwork phase (March 2019), Covid-19 happened, changing the entire landscape of working and personal lives and triggering a rapid and extensive scaling up of flexible working – to an extent “backgrounding” the pilot and impacting on the flexible working arrangements that participants were in the process of implementing. In order to take account of the pandemic which has hugely affected individuals and organisations, we adapted our work and expanded its focus: the evaluation in fact



offered the unique and important opportunity for all project stakeholders to learn about the ways in which Covid-19 was impacting on the working and personal lives of the people involved in the pilot as well as on flexible working practices more broadly and individual/team/organisational responses to the pandemic.

We are continuing to work with the Centre for Ageing better and the two large employers to focus the final phase of the work to elicit understanding of the current and potential future impact of the pandemic on approaches to flexible working for their organisations and their older staff.

Young People's Mental Health, Leadership, inclusion and exclusion

Exploring the Meaning and Experience of Digital Exclusion among At-risk Groups in Limerick, Ireland

Our first project (through our European subsidiary, Tavistock Institut gGmbH) was particularly relevant in 2020. Digital exclusion has a significant confluence with social exclusion, so that people who are marginalised in general, including people with disabilities, older people, Travellers and people from poor neighbourhoods, tend to find digital services difficult to access.

Our research with these communities brought out the voice of marginalised groups. Whilst this research found various structural and personal barriers to digital inclusion, we also found a number of avenues to reduce digital exclusion, including tailoring training courses to the needs of at-risk groups, making services more user-friendly and being patient with pilot initiatives.

Our initial research has found that isolation, loneliness and depression have greatly affected communities in lockdown, and whilst some people have become motivated to use digital technology to stay in touch with their colleagues, virtual interactions are more labour intensive and less fulfilling than in-person groups.

In early 2021, we will work with local decision makers, delivery staff and digitally excluded people to co-create a plan of action for recovery from the impact of the pandemic and the easing of digital exclusion generally in Limerick.

InterReg 2 Seas

InterReg 2 Seas is a European Territorial Cooperation Programme covering coastal regions in England, France, the Netherlands and Belgium (Flanders). It is part-financed by the European Regional Development Fund and has a total of €241m to co-finance projects in the 2014-2020 period and beyond.

The context is the presence, in each region, of about 10,000 low-skilled jobseekers, aged 18-24. In many cases, the participants have left school or been excluded from school after the 5th Form so that they have not managed to achieve even the most basic minimum requirements to get into a vocational training programme. The project also includes older low-skilled people aged up to 50 who are in low-skilled employment than could be lost in the future through the changing nature of work and technology.

The aim is to help low-skilled jobseekers into work placements followed by employment, in the 4 regions, including Kent in the UK. The Institute is contributing to the professional development of a series of cohorts of participants (including tests and pilots), plus 360 degree support, promoting family positive



influence, supporting the mentors from the organisations offering work placements, and the evaluation of the UK intervention and whole-system consultancy.

The project provides educational programmes in basic engineering, and supervised work placement experience in local engineering and construction industries that will up-skill the jobseekers sufficiently to achieve an employment interview, be offered a job at the end and sustain their job afterwards.

Tavistock 'Learning-from-experience' methodologies are being applied to:

- (i) The participant cohorts meet with Tavistock consultants to participate in here-and-now experiential learning events to promote their constructive participation in their work placements, employment and their communities;
- (ii) Selected families from each cohort during the 12-weeks of each programme to help the families support the participants;
- (iii) Tavistock Institute consultants work with the organisational mentors in study groups;
- (iv) The Tavistock undertakes the evaluation of the UK part of the project.

Self Leadership: Group Relations half-day virtual workshops

Part of the Launching Young Leaders initiative, these workshops help young and emerging leaders (18-30) think about what it means to be a leader and how individual identity plays into that.

The first workshop explored the qualities that make us unique, the skills, knowledge and experiences that each bring to their roles played at work but also amongst friends and family. It looked at the connection between how young leaders show up in different contexts and the overlaps between them.

One core leadership skill that is often underestimated is the ability to handle the emotional impact of work. Leading is not always easy and making the right decision that benefits a team may not directly benefit the leader, if they take their role as leader seriously.

The workshop was attended by 48 participants from across the globe with a participant making the following comment in an evaluation afterwards:

- *Leaders come in all shapes: the leader in the mind shapes how you relate to yourself and others, and that can hinder or promote learning. leadership is context-dependent and context making.*

Plans are underway for more Self Leadership workshops and a virtual PD programme as part of **Launching Young Leaders**.



Staff Presentations

Spreading the word on Complexity and Evaluation

As part of the Institute's ongoing partnership with CECAN (Centre for Evaluation Complexity across the Nexus) we have continued to publicise the importance of having an understanding of complexity and the behaviour of complex adaptive systems, in the field of Evaluation.

Working with CECAN colleagues, key achievements during 2019-2020:

- Publishing a supplement to the [Magenta](#) book, the UK Treasuries cross-government guidance on evaluation: *Addressing Complexity in Policy Evaluation*
- Developing of a [Complex Evaluation Framework](#), published by Department for the Environment, Farming and Rural Affairs (Defra)
- Participating in various CECAN-hosted events and webinars disseminating this [work](#)
- Two articles accepted for the forthcoming CECAN [special issue](#) of the journal *Evaluation*.
- [Norwegian Evaluation Conference](#)

Social Dynamics

University of Tampere, Finland – Juliet Scott gave a keynote speech and a workshop the next day on Social Dynamics of Self-organizing in the light of Historical Evidence from the Tavistock Institute Archive in November.

Discovering Collections, Discovering Communities

Presentation at 2019 DCDC conference: *How an Archives Revealed Scoping Grant supported the Tavistock Institute of Human Relations in dealing with its early born digital material* - continuing our innovative leadership in archival practice. Antonio Sama, Professional Partner and Frank Owen, Digital Consultant.

Awards

SRA exhibition installation – we won the Judge's Award.



Professional Development and the Group Relations Programme

Our Professional Development programmes continue to be in high demand, recruitment was buoyant as we approached the Spring with two programmes underway. Then in response to the pandemic we moved all our programmes online. Recruitment continued through this period and all our programmes successfully ran and we have learnt much.

We continue to work and develop in the virtual space. Our Digital Surgeries are an established part of our offer. We are designing a new offer for those interested in working with virtual organisational and team dynamics. We have also been experimenting with working in different time zones thus making our programmes more widely accessible. Next year we will be offering Dynamics @ Board Level in two different time zones.

Group Relations Programme

The Institute continues to build robust institutional relationships and partnerships with stakeholders across the world. From the second Caribbean Group Relations conference in Trinidad in October 2019, through to taking part in a pre-pandemic face to face training programme in Small and Large Study Group consultation in partnership with Group Relations International in Boston, and staff the OFEK Conference in February 2020.

During the pandemic, online Group Relations Conferences and events have taken place. The first event was held in April by ICI of Canada, and then a pioneering, jointly sponsored conference in July by the Institute, between Israel (OFEK), USA (AKRI), India (GRI) and Netherlands (Utrecht University). The Institute supported events and Conferences held by Partners in Confronting Collective Atrocities, Group Relations Russia and Italy (IL NODO).

A longitudinal study launched at the Belgrate meeting 2018 to explore collaboration across the global group relations institutions has developed. Initially formulated as a Gathering of Presidents of Group Relations Sponsoring Organisations, it has met online at regular intervals to study the dynamics of authority and representation, and consider the Leicester Conference as a “shared object”. 20 organisations are in regular attendance, with a rotating 6 monthly Chair.

3 publications written by Group Relations organisations around the world, under the banner of *The Patchwork: what Group Relations thinking can contribute to understanding the Pandemic*, were well received and reached 1000's of readers. This collaborative writing demonstrated the Institute's commitment to partnership and disseminating learning about inter-organisational processes.

A logistic, strategic and symbolic impact in the midst of a global pandemic, was to hold the 2020 Leicester Conference face to face. The conference has happened every year since 1957 in the UK. 4 weeks to go, the first UK local lockdown hit the City of Leicester! We had to find a new venue, outside the UK that would allow members to travel. We relocated to Bavaria in Germany, thanks to our partner, oezpa GmbH and the institute internal team.

There were 10 members and 4 staff. Nationalities represented at the conference included The Netherlands, Russia, UK, Finland, New Zealand, Vietnam, Denmark and France and Argentina. The conference was redesigned to reflect the pandemic context and the size of the membership. A



context Event and Eliat Aram's Design Event were used in week 1. Back to Back groups created the same dynamics as a Large Study Group and the introduction of a Curatorial Event at the end of week 2 was a place to bring together the experiences from the Design Event.

Group Relations Russia

The Institute has been developing a partnership with the emerging Group Relations Russia organisation for just over a year now, challenged by the pandemic which has unfolded alongside the conference preparations. The work has moved online, temporarily, although it has felt as more of a new fixture in the world of GR, than a temporary one, as the year has progressed.

Following a small training event for the staff in spring, the first Group Relations Conference (GRC) in September consisted of 11 staff and 40 members from all over the world, with 14 countries represented and a number of people on the waiting list.

The GRC topic - "Exploring Role and Identity in COVID era in Group Relations work online" – reflected the complexities in this period. Typical questions explored in GRCs were found here too, including issues of boundaries, authority, dependency and leadership. It seemed to us that these have all been exacerbated in what we call the Covid era. Technology, isolation and connection were additional dimensions of concern and pain on the one hand, and excitement and longing on the other. Several people were overwhelmed as well as grateful for the opportunities offered via Zoom without which they would have felt much more desolate.

The role of leading, trust in leadership, the ambivalence towards taking up leadership as well as being a follower were all evident in the event, exacerbated by the Covid context which induces Basic Assumption Dependency.

The Social Dreaming Matrix was a relatively new format for the Russian organisational market. Through the overnight dreams, feelings such as disappointment, confusion, loneliness, fear, ambivalence surfaced – which would otherwise be difficult to articulate and give voice to, especially through the virtual space.

Despite humans' natural curiosity and the excitement in the possibility of connecting across the globe, a lot was left unsaid and unexplored - perhaps, we hypothesised, this is a key impact of the pandemic and lockdown; the remoteness combined with internal self-restrictions. More online and eventually in-person GRCs in partnership between GR Russia and the Institute are planned in 2021.

Food for Thought: Lunchtime Talks

This year has been transformative for our Lunchtime Talks. It began with David Strudley in our offices, and then we hosted the project partners from the **NEETS in Action** Erasmus+ project. When the pandemic hit in March, we adapted the Talks to be held virtually. This has been a great success, as we are now averaging 70 participants from across the globe – a wonderful example of connectivity during a difficult time.



Our journal: *Human Relations*

[*Human Relations*](#) is a highly ranked international peer-reviewed journal. *Human Relations* articles have significant impact on academic debates on a wide variety of topics that affect people at work, for example:

- the changing nature of managerial work
- leadership
- politics at work
- economic inequality and management
- job quality
- careers
- employee well-being; and much more...

In January 2020 *Human Relations* said goodbye to its Editor in Chief, Prof Nick Turner, who helmed the journal for 3 years. Prof Turner oversaw a very successful period for the journal, with impact factors and submissions increasing year on year. After a handover period, Prof Mark Learmonth took over as Editor in Chief in March 2020. Prof Learmonth is a Professor of Organisation Studies at the Business School, Durham University and prior to becoming EiC, served on the *HR* Editorial Board for four years. You can read an [interview](#) with Prof Learmonth.

Submissions continue to increase year on year, particularly in 2020; since the Covid-19 outbreak in March 2020 *Human Relations* has seen a 25% increase in submissions and 1000+ submissions are expected by the end of 2020. Submissions are geographically diverse and 2019/20 has seen a submission from every continent of the globe. To manage this increase, *HR* has recruited six new new full time Associate Editors, including academics from across the globe, and as a consequence decisions and publishing times have decreased. We also welcomed a new production editor from Sage Publishing, Helen Hardy.

The journal has an active social media presence and, as a testament to its high standing academically, over 730,000 full-text articles were downloaded in 2019. We expect the 2020 download figure to be even bigger and already had 700,000 downloads in September!

Usually *Human Relations* Associate Editors would travel to conferences around the world, including the AoM conference held in August. This year, presentations were given virtually including at AoM and other 'Meet the Editor' sessions at various institutions.

Covid-19 did not stop the hard work of all our reviewers and authors in 2019/20. Our **Reviewer of the Year Award** was given to Dr Oliver Weigelt, University of Rostock, (Germany) and the **Paper of the Year Award** given to Karanika-Murray & Biron for their paper, *The Health-performance Framework of Presenteeism: Towards understanding an adaptive behaviour*.

Ranking: *Human Relations* continues to be well respected internationally and is included in the [FT50 list](#) of journals used by the *Financial Times* in compiling the FT Research rank, included in Global MBA, EMBA and Online MBA rankings.

Human Relations has a solid Thomson Reuters Journal Citation Reports (ISI) ranking – the 2019 2-year and 5-year impact factors are 3.6 and 4.659 respectively (ranked: 6/108 in Social Sciences, Interdisciplinary and 66/226 in Management). *Human Relations* is an A* journal in the Australian Business Deans Council (ABDC) Journal Quality List and is ranked 4 in the Chartered Association of Business Schools (CABS) Academic Journal Guide 2018.



Organisational structure of the Institute and decision-making process

The Council holds bi-monthly meetings. The CEO provides an update to the trustees at each of the Council meetings. This includes a status update on the key projects and other significant events. An update of the financial status of the Institute is also reviewed at each meeting. Further, the Council has a rolling programme which covers the key activities of the Institute over the course of twelve months.

In addition, the following sub-committees are in operation:

- The Pension trustees meet 2-3 times a year and are responsible to the pension fund.
- The *Human Relations* Management Committee (HRMC) meets twice a year to discuss and review the activities of the HR journal.

Internally, the CEO holds bi-weekly management meetings.

Salary progression reviews are carried out annually and are normally based on the performance of staff members and business context. All staff are positioned organisationally in a range of salary bands which are directly related to their roles and grade. The bands are as follows: R – Researcher, S – Senior Researcher and P – Principal. The difference in grade reflects seniority of knowledge, experience and workload. The majority of the principal grade employees are line managed by the CEO who makes a recommendation of any increase in salary within the same percentage range as other staff member (1-4%). This is confirmed as both reasonable and affordable by the Head of Finance. In 2019-20, the Institute froze salaries for all staff in light of the economic uncertainty of Covid-19 and implemented a process of fixed term furlough across all employees during the initial phase of the furlough scheme between April and June 2020.

Financial Review

Financial Results for the year 2019-20

The Institute managed to navigate its way through the Covid-19 pandemic in 2019-20 in achieving an operating surplus of £234k. Whilst this is lower compared to the operating surplus of £330k achieved in 2018-19 it represents a very strong performance in the unprecedented circumstances which impacted national and global economies. The accounts for 2019-20 include the consolidation of the Institute's subsidiary, Tavistock Institut gGmbH, which began operations in 2019 and itself achieved a small operating surplus.

The Institute's research, evaluation and consultancy activities and royalties business streams saw an increase in revenue for the year which helped offset lower Professional Development income much of which was deferred to 2020-21. The Institute continues to have a healthy level of live contracted project work and will also look to continue to secure new project work in 2020-21.

The Institute continues to hold a provision of £117,585 at the end of September 2020 for potential costs related to its membership of the Menon Network EEIG following the bankruptcy of a fellow member of the



EEIG and which will impact the EEIG and its members. The Institute is retaining the provision to cover any further payment settlements related to other EEIG projects.

Reserves policy

The Trustees recognise the need to hold reserves both to enable the Institute to progress its long-term projects and to protect its current activities. The Institute believes that a reserves level of three months' income is appropriate for the ongoing operations of the organisation. Of the accumulated reserves on September 30, 2019 of £612,438 (excluding the pension fund liability), an amount of £15,243 is invested in operational assets and this amount is not available to meet ongoing expenditure. The unrestricted free reserves are £597,195 which represents 4 months of future expenditures.

The Institute continues to fulfil its obligation as per the revised pension recovery plan with the pension trustees (approved by the pensions regulator) whereby the deficit will be paid within 15 years. During the year ended 30 September 2020 the Institute paid £296,132 in accordance with this plan. The actuarial valuation of the Tavistock Institute of Human Relations Retirements Benefit Scheme at 30 September 2020 for the purposes of FRS102 showed a decreased funding deficit of £5,763,000 (2019: £5,962,000).

Risk management and internal control

The Trustees have a duty to identify and review the strategic, business and operational risks that the Institute is exposed to, and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

In order to achieve this, the Trustees and management team have undertaken an assessment of the risks that the organisation is exposed to and have produced a risk register which assigns management of these risks to specific individuals and recommends actions to be taken, where necessary, in order to manage the likelihood and impact of these risks. The risk assessment and resulting risk register are reviewed and updated on a regular basis.

The most up to date review, in March 2020, confirmed the current primary risks to be the ongoing Covid-19 pandemic situation along with Brexit which combined creating economic uncertainty and volatility impacting work opportunities in the UK and Europe. We continue to monitor the risk of losing staff for various reasons although we think this has now subsided with the latest wave of recruitment and we continue to develop new streams of funding whilst keeping focused on saving costs wherever prudent.

Appointment of Auditor

Goldwins Limited, Chartered Accountants, have agreed to continue their appointment as external auditor.

Audit Information

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.



Statement of trustees' responsibilities for an incorporated Charity

The trustees (who are also directors of the Tavistock Institute of Human Relations for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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


The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company [and the group] and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

BY ORDER OF THE COUNCIL



David Hollywood

24 March 2021



Independent Auditor's Report to the Members of the Tavistock Institute

Opinion

We have audited the financial statements of The Tavistock Institute of Human Relations (the 'Charity') for the year ended 30 September 2020 which comprise the consolidated Statement of Financial Activities, the group and parent Charity's Balance Sheets, group's 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 group's and Charity's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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 Charity'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 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 the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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 returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Our 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: <https://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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted £	2020 Total £	Unrestricted £	2019 Total £
Income from:					
Donations	2	4,427	4,427	1,150	1,150
Charitable activities	3				
–Research evaluation and organisational development		1,050,080	1,050,080	998,751	998,751
–Professional development		315,448	315,448	831,368	831,368
–Royalties from publications		1,077,005	1,077,005	1,053,325	1,053,325
		2,446,960	2,446,960	2,884,594	2,884,594
Tavistock Institut gGmbH gGmbH income		11,447	11,447	–	–
Investments	4	2,425	2,425	1,854	1,854
Other	5	84,647	84,647	195	195
Total income		2,545,479	2,545,479	2,886,643	2,886,643
Expenditure on:					
Charitable activities	6				
–Research evaluation and organisational development		2,053,488	2,053,488	1,770,750	1,770,750
–Strategic Initiatives		23,910	23,910	39,690	39,690
–Professional development		196,645	196,645	672,346	672,346
–Royalties from publications		142,154	142,154	190,343	190,343
Tavistock Institut gGmbH expenditure		1,180	1,180	8,592	8,592
Total expenditure		2,417,377	2,417,377	2,681,721	2,681,721
Net Income / (expenditure) before net gains / (losses) on Investments		128,102	128,102	204,922	204,922
Net gains / (losses) on investments		–	–	–	–
Net Income / (expenditure) for the year	7	128,102	128,102	204,922	204,922
Transfers between funds		–	–	–	–
Net Income / (expenditure) before other recognised gains and losses		128,102	128,102	204,922	204,922
Actuarial gains / (losses) on defined benefit pension schemes		20,000	20,000	(1,951,000)	(1,951,000)
Net movement in funds		148,102	148,102	(1,746,078)	(1,746,078)
Reconciliation of funds:					
Total funds brought forward		(5,298,664)	(5,298,664)	(3,552,586)	(3,552,586)
Total funds carried forward		(5,150,562)	(5,150,562)	(5,298,664)	(5,298,664)

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

		The Group		The Charity	
	Note	2020 £	2019 £	2020 £	2019 £
Fixed assets:					
Tangible assets	12	15,243	24,126	15,243	24,126
Investment	13	–	–	21,535	21,535
		15,243	24,126	36,778	45,661
Current assets:					
Debtors	14	715,762	713,690	715,762	713,690
Cash at bank and in hand		1,529,115	1,413,176	1,514,594	1,410,053
		2,244,877	2,126,866	2,230,356	2,123,743
Liabilities:					
Creditors: amounts falling due within one year	15	(1,647,682)	(1,487,656)	(1,656,371)	(1,497,476)
Net current assets / (liabilities)		597,195	639,210	573,985	626,267
Total assets less current liabilities		612,438	663,336	610,763	671,928
Creditors: amounts falling due after one year		–	–	–	–
Net assets excluding pension asset / (liability)		612,438	663,336	610,763	671,928
Defined benefit pension scheme asset / (liability)	17	(5,763,000)	(5,962,000)	(5,763,000)	(5,962,000)
Total net assets / (liabilities)		(5,150,562)	(5,298,664)	(5,152,237)	(5,290,072)
The funds of the charity:	19				
Unrestricted income funds:					
General funds		(5,150,562)	(5,298,664)	(5,152,237)	(5,290,072)
Total unrestricted funds		(5,150,562)	(5,298,664)	(5,152,237)	(5,290,072)
Total charity funds		(5,150,562)	(5,298,664)	(5,152,237)	(5,290,072)

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 24 March 2021 and signed on their behalf by

David Hollywood, Chair

Eliat Aram, Ex-Officio Member



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020	2019
		£	£
Cash flows from operating activities	21		
Net cash provided by / (used in) operating activities		116,271	438,583
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,425	1,854
Proceeds from the sale of fixed assets		-	-
Purchase of fixed assets		(2,757)	(24,005)
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by / (used in) investing activities		(332)	(22,151)
Change in cash and cash equivalents in the year		115,939	416,432
Cash and cash equivalents at the beginning of the year		1,413,176	996,744
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year	22	1,529,115	1,413,176



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

a) Basis of preparation

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) and the Companies Act 2006.

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

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as 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 charity 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.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies (continued)

h) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	20% pa on cost
Computer equipment	33% pa on cost
Furniture and equipment	20% pa on cost

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates stakeholders pension scheme.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

2 Income from donations and legacies

	Unrestricted £	2020 Total £	2019 Total £
Donations	4,427	4,427	1,150
	<u>4,427</u>	<u>4,427</u>	<u>1,150</u>

3 Income from charitable activities

	Unrestricted £	2020 Total £	2019 Total £
Contracts and fees receivable:			
Sage Publications – Royalties	1,077,005	1,077,005	1,053,325
Conference fee attendance	314,801	314,801	831,285
Consultancy	287,919	287,919	603,224
Research & Evaluation	681,779	681,779	799,071
Project funds surplus/(deficit)	80,382	80,382	(403,461)
Total income from charitable activities	<u>2,441,886</u>	<u>2,441,886</u>	<u>2,883,444</u>

4 Income from investments

	Unrestricted £	2020 Total £	2019 Total £
Investment income	2,425	2,425	1,854
	<u>2,425</u>	<u>2,425</u>	<u>1,854</u>

5 Other Incomes

	Unrestricted £	2020 Total £	2019 Total £
Furloughed employees grant	66,773	66,773	–
Business interruption income	17,212	17,212	–
Others	662	662	195
	<u>84,647</u>	<u>84,647</u>	<u>195</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

6 a. Analysis of expenditure

	Charitable activities						
	Research Evaluation and Organisational Development	Strategic Initiatives	Professional development	Royalties from publications	Support costs	2020 Total	2019 Total
	£	£	£	£	£	£	£
Staff costs (Note 8)	1,135,455	10,066	52,159	8,220	441,776	1,647,676	1,598,062
Direct cost							
Other direct cost	5,913	-	-	-	-	5,913	2,166
Conference fees and expenses	3,904	1,553	235	2,004	2,251	9,947	29,780
Consultancy fees	135,714	-	55,471	114,718	41,271	347,174	340,931
Travelling and meeting expenses	22,763	199	42,045	2,964	672	68,643	362,611
Support cost							
Other staff costs	6,895	-	196	278	28,302	35,671	57,137
Rent, rate & service charge	-	-	-	-	92,705	92,705	100,859
Books and subscription	-	-	-	-	3,254	3,254	2,973
Marketing	-	-	251	62	7,927	8,240	6,959
Insurance	-	-	-	-	8,236	8,236	7,520
Printing, postage and stationery	3,923	-	654	763	6,858	12,198	16,007
Website and computer expenses	9,176	546	-	4,660	38,842	53,224	37,729
Telephone and internet	5,085	-	227	174	8,819	14,305	15,797
Office expenses	12	-	-	-	6,663	6,675	16,356
Sundry	-	-	-	-	-	-	8,632
Depreciation	-	-	-	-	11,640	11,640	12,322
Profit and loss on exchange	-	-	-	-	312	312	3,059
Project expenses	25,000	-	15,000	-	-	40,000	25,230
Legal and professional	6,355	4,173	-	443	25,150	36,121	13,325
Audit fees	-	-	-	-	7,800	7,800	5,750
Bank charges	261	-	916	495	5,262	6,934	9,924
	1,360,456	16,537	167,154	134,781	737,740	2,416,668	2,673,129
Support costs	693,032	7,373	29,491	7,373	(737,269)	-	-
Total expenditure 2020	2,053,488	23,910	196,645	142,154	471	2,416,668	2,673,129
Total expenditure 2019	1,770,750	39,690	672,346	190,343	-	2,673,129	

The total expenditure **£2,416,197** was unrestricted (2019: £2,673,129).

b. Analysis of expenditure (prior year)

	Charitable activities						
	Research Evaluation and Organisational Development	Strategic Initiatives	Professional development	Royalties from publications	Support costs	2,019	
	£	£	£	£	£	£	£
Staff costs (Note 8)	947,506	18,740	178,586	40,409	412,821	1,598,062	
Direct cost							
Other direct cost	2,041	-	-	-	125	2,166	
Conference fees and expenses	8,843	207	3,095	12,991	4,644	29,780	
Consultancy fees	125,300	1,660	84,409	90,378	39,184	340,931	
Travelling and meeting expenses	53,355	1,087	285,590	19,994	2,585	362,611	
Support cost							
Other staff costs	7,006	-	143	101	49,887	57,137	
Rent, rate & service charge	-	-	-	-	100,859	100,859	
Books and subscription	30	-	15	-	2,928	2,973	
Marketing	70	55	-	-	6,834	6,959	
Insurance	-	-	-	-	7,520	7,520	
Printing, postage and stationery	3,310	312	3,846	651	7,888	16,007	
Website and computer expenses	4,362	-	686	1,799	30,882	37,729	
Telephone and internet	6,113	-	367	280	9,037	15,797	
Office expenses	60	-	65	15	16,216	16,356	
Sundry	-	-	-	-	8,632	8,632	
Depreciation	-	-	-	-	12,322	12,322	
Profit and loss on exchange	313	-	-	-	2,746	3,059	
Project expenses	-	-	-	-	25,230	25,230	
Legal and professional	1,546	2,346	-	426	9,007	13,325	
Audit fees	-	-	-	-	5,750	5,750	
Bank charges	143	15	1,028	395	8,343	9,924	
	1,159,998	24,422	557,830	167,439	763,440	2,673,129	
Support costs	610,752	15,268	114,516	22,904	(763,440)	-	
Total expenditure 2019	1,770,750	39,690	672,346	190,343	-	2,673,129	



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

7 Net Incoming resources for the year

This is stated after charging / crediting:

	2020	2019
	£	£
Depreciation	11,640	12,322
Operating lease rentals:		
Property	69,475	69,475
Auditors' remuneration (excluding VAT):		
Audit	5,500	5,500

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	1,231,714	1,170,413
Social security costs	127,829	116,331
Employer's contribution to defined contribution pension schemes	288,132	311,318
	1,647,676	1,598,062

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2020	2019
	No.	No.
£120,000 - £130,000	1	1

The total employee benefits including pension and national insurance contributions of the key management personnel were £133,197 (2019: £139,481).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' indemnity insurance was taken out in the year at a cost to the Charity of £1,619 (2019: £1,261).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020	2019
	No.	No.
Raising funds	–	–
Scientific Staff	21.3	21.7
Support	5.3	6.9
	26.6	28.6

10 Related party transactions

There are no related party transactions to disclose for 2020 (2019: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets– Group/Charity

	Leasehold Improvements £	Computer Equipment £	Fixtures, fittings and Equipment £	Total £
Cost				
At the start of the year	186,343	118,903	28,342	333,588
Additions in year	-	2,757	-	2,757
Disposals in year	-	-	-	-
At the end of the year	186,343	121,660	28,342	336,345
Depreciation				
At the start of the year	186,343	104,364	18,755	309,462
Charge for the year	-	7,333	4,307	11,640
Eliminated on disposal	-	-	-	-
At the end of the year	186,343	111,697	23,062	321,102
Net book value				
At the end of the year	-	9,963	5,280	15,243
At the start of the year	-	14,539	9,587	24,126

All of the above assets are used for charitable purposes.

13 Investments– Charity

	2020 £	2019 £
Investment in subsidiary undertakings	21,535	21,535
	21,535	21,535

Subsidiaries

Details of the charity's subsidiaries at 30 September 2020 are as follows:

Name of undertaking	Registered office	Nature	Shares held
Tavistock Institut gGmbH	Germany	A not for profit company (gGmbH)	100%

The aggregate reserves and the result for the year of the subsidiaries noted above was as follows:

	2020 £	2019 £
Incoming resources:		
Research	10,084	-
Other	1,363	-
	11,447	-
Outgoing resources:		
Legal and professional	(677)	(8,380)
Bank charges	(468)	(212)
Other	(35)	-
Net income / (expenditure)	10,267	(8,592)
Funds brought forward	12,943	21,535
Reserves	23,210	12,943

The subsidiary is exempt from the audit in accordance with German Companies Act and the results of Tavistock Institut gGmbH have been consolidated on a line by line basis and included under charitable activities of both under income and expenditure.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

14 Debtors

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Amounts recoverable on contracts	413,548	427,405	413,548	427,405
Prepayments	28,597	18,735	28,597	18,735
Accrued income	27,361	26,755	27,361	26,755
	715,762	713,690	715,762	713,690

15 Creditors: amounts falling due within one year

	The Group		The Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	47,656	187,620	47,012	187,620
Taxation and social security	249,630	147,628	248,672	147,628
Amounts due to group undertaking	–	–	10,291	9,820
Accruals	356,483	274,301	356,483	274,301
Deferred income	993,913	878,107	993,913	878,107
	1,647,682	1,487,656	1,656,371	1,497,476

16 Deferred Income

Deferred income comprises the payments on account of contracts and fees received in advance.

	2020	2019
	£	£
Balance at the beginning of the year	878,107	484,928
Amount released to income in the year	(878,107)	(484,928)
Amount deferred in the year	993,913	878,107
Balance at the end of the year	993,913	878,107

17 Pension scheme

The charity operates stakeholders pension scheme and has no pension liability as at the year end.

The company also operates a defined benefit scheme in the UK. This is a separate trustee-administered fund holding the pension scheme assets to meet long term pension liabilities.

With effect from November 30, 2010, the scheme was closed to future accruals of current employees.

In 2011 the Institute agreed a revised deficit reduction plan with the pension fund trustees whereby the deficit would be repaid over 14 years 9 months.

Pension Commitments– FRS102 Section 28 Disclosure

Retirement Benefits Plan (1974)

A full actuarial valuation was carried out at 31 March 2016 and updated to 30 September 2019 by a firm of qualified actuaries. The charity currently pays contributions at the rates set out in the Schedule of Contributions prepared following the 31 March 2019 scheme funding valuation. The estimated future contributions to the plan for the year ended 30 September 2020 are £307,238 (2019: ££296,132) increasing by 3.75% per annum, payable monthly from 1 April 2017 to 31 July 2033.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Pension Commitments– FRS102 Section 28 Disclosure (CONT.)

Assumptions:

The major assumptions used by the actuary in assessing liabilities on a FRS 102 basis were:

Assumptions as at	30 September 2020	30 September 2019
Discount rate	1.7%	2.0%
Inflation (RPI)	3.3%	3.4%
Rate of increase in pension in payment capped at 5%	3.3%	3.4%
Rate of increase in pension in payment capped at 5%	3.3%	3.4%

The average future life expectancies at age 65 are summarised below:

	Males	Females
Retiring today	21.2	23.5
Retiring in 20 years	23.0	25.4

The major categories of scheme assets	30 September 2020	30 September 2019
	£'000	£'000
Bonds and gilts	928	889
Equities	1,752	1,820
Diversified growth funds (DGFs)	1,788	1,766
Cash	367	312
	<u>4,835</u>	<u>4,787</u>

Net defined benefit pension liability recognised in the balance sheet

	30 September 2020	30 September 2019
	£'000	£'000
Present value of funded obligations	(10,598)	(10,749)
Fair value of scheme assets	<u>4,835</u>	<u>4,787</u>
Net pension liability	<u>(5,763)</u>	<u>(5,962)</u>

Changes in the present value of the defined benefit obligation

	30 September 2020	30 September 2019
	£'000	£'000
Opening defined benefit obligation	(10,749)	(8,617)
Current service cost	-	-
Interest cost	(213)	(257)
Employee contributions	-	-
Actuarial (losses) / gains	123	(1,987)
Benefits paid	<u>241</u>	<u>112</u>
Defined benefit obligation at end of year	<u>(10,598)</u>	<u>(10,749)</u>

Changes in the fair value of the scheme assets

	30 September 2020	30 September 2019
	£'000	£'000
Opening fair value of scheme assets	4,787	4,442
Interest income	96	136
Actuarial gains / (losses)	(103)	36
Employer contributions	296	285
Employee contributions	-	-
Benefits paid	<u>(241)</u>	<u>(112)</u>
Fair value of scheme assets at the year end	<u>4,835</u>	<u>4,787</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Pension Commitments– FRS102 Section 28 Disclosure (CONT.)

The amounts included within the Statements of Financial Activities

The amounts recognised in P&L /income statement

	30 September 2020 £'000	30 September 2019 £'000
Service cost	–	–
Interest cost	(213)	(257)
Interest income	96	136
Net charges to P&L /income statement	(117)	(121)
Remeasurement gains / (losses) recognised in other comprehensive income		
Return on scheme assets (excluding interest)	(103)	36
Actuarial gains / (losses) on defined benefit obligation		
· experience	(111)	54
· changes in assumptions	234	(2,041)
Total actuarial gains / (losses)	20	(1,951)
Total amount charged to the Statement of Financial Activities	(97)	(2,072)

Amounts for the current and previous 4 years

	Year to 30 September 2020 £'000	Year to 30 September 2019 £'000	Year to 30 September 2018 £'000	Year to 30 September 2017 £'000	Year to 30 September 2016 £'000
Fair value of employer assets	4,835	4,787	4,442	4,121	3,666
Present value defined benefit obligation	(10,598)	(10,749)	(8,617)	(8,809)	(9,014)
Deficit	(5,763)	(5,962)	(4,175)	(4,688)	(5,348)
Experience gains / (losses) on liabilities	(111)	54	–	(468)	–
Adjustment due to change in assumptions	234	(2,041)	341	787	(2,114)
Experience gains / (losses) on assets	(103)	36	24	200	198
Actuarial (loss) / gain	20	(1,951)	365	519	(1,916)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

18 Analysis of net assets between funds– Group

	General unrestricted £	Pension fund £	Restricted £	Total funds £
Tangible fixed assets	15,243	–	–	15,243
Net current assets / (liability)	597,195	–	–	597,195
Defined benefit pension scheme asset / (liability)	–	(5,763,000)	–	(5,763,000)
Net assets at the end of the year	612,438	(5,763,000)	–	(5,150,562)

Analysis of net assets between funds– Charity

	unrestricted £	Pension fund £	Restricted £	Total funds £
Tangible fixed assets	36,778	–	–	36,778
Net current assets / (liability)	573,985	–	–	573,985
Defined benefit pension scheme asset / (liability)	–	(5,763,000)	–	(5,763,000)
Net assets at the end of the year	610,763	(5,763,000)	–	(5,152,237)

19 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
Charity general funds	671,928	2,534,032	(2,416,197)	(179,000)	610,763
Subsidiary general funds	(8,592)	11,447	(1,180)	–	1,675
Total unrestricted funds	663,336	2,545,479	(2,417,377)	(179,000)	612,438
Pension fund	(5,962,000)	20,000	–	179,000	(5,763,000)
Total funds	(5,290,072)	2,565,479	(2,417,377)	–	(5,150,562)

Movements in funds (prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
Charity general funds	622,414	2,886,643	(2,673,129)	(164,000)	671,928
Subsidiary general funds	–	–	(8,592)	–	(8,592)
Total unrestricted funds	622,414	2,886,643	(2,681,721)	(164,000)	663,336
Pension fund	(4,175,000)	–	(1,951,000)	164,000	(5,962,000)
Total funds	(3,552,586)	2,886,643	(4,632,721)	–	(5,298,664)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

	2020 £	2019 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	128,102	204,922
Depreciation charges	11,640	12,322
Interest, rent and dividends from investments	(2,425)	(1,854)
FRS102 defined benefit pension scheme adjustment	(179,000)	(164,000)
(Increase)/decrease in debtors	(2,072)	(107,895)
Increase/(decrease) in creditors	160,026	495,088
Net cash provided by / (used in) operating activities	116,271	438,583

21 Analysis of cash and cash equivalents

The Group			
	At 1 October 2019 £	Cash flows £	Other changes £
Cash in hand	1,413,176	115,939	-
Total cash and cash equivalents	1,413,176	115,939	-

The Charity			
	At 1 October 2019 £	Cash flows £	Other changes £
Cash in hand	1,410,053	104,541	-
Total cash and cash equivalents	1,410,053	104,541	-

22 Operating lease commitments- Group and Charity

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Property 2020 £	2019 £
Less than one year	-	-
One to five years	11,229	78,604
Over five years	-	-
	11,229	78,604

At 30th September 2015 the Institute had annual commitments under operating leases in respect of office premises and equipment. The rent payable was £67,375 per annum. The lease term was 5 years from 1 December 2015 and had ended on 30 November 2020. The Institute has renewed a short term lease for a period until May 2021.

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

24 Post balance sheet event

On 30 January, the World Health Organisation (WHO) announced Coronavirus as a global health emergency. On 11 March 2020, it announced that Coronavirus was a global pandemic. Like many other UK entities with 30 September 2020 year ends, the outbreak is a current period event that will also require ongoing evaluation for events after the balance sheet date. The Institute identified and considered whether the pandemic has a significant financial effect on the operations which lead to reductions in future fundings and determined the conditions that existed at the balance sheet date including travel restrictions, quarantines and lockdowns, closure of businesses etc.

