



The Foundation Trust Network operating as
NHS PROVIDERS

TRUSTEES' ANNUAL REPORT
AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2023

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year from 1 April 2022 to 31 March 2023. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the organisation's memorandum and articles of association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

Strategic report

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

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

About us

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

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

CHAIR'S REPORT

NHS Providers has had another exceptional year as the membership organisation for the 211 NHS acute hospital, mental health, community and ambulance trusts and foundation trusts who provide healthcare to England's 56 million population. Our members faced unprecedented challenges in dealing with the combined impact of Covid-19, flu and winter pressures, continuing workforce shortages, disruption caused by industrial action and increasing financial concerns. Trusts have, however, made significant progress in addressing backlogs for treatment, and showed a commendable capacity to innovate and collaborate in pursuit of better care for patients and the communities they serve.

They have come under increasing scrutiny as the debate over the current NHS model intensifies ahead of the general election. Public support for the healthservice and its founding principles remains strong, though the pressures and their impact on performance have made it harder to maintain confidence that the NHS will be able to provide the level of service people have come to expect. The commitment and resourcefulness shown by trust leaders and frontline staff through these difficult days and in adapting to the fast-changing health and care landscape give grounds for encouragement, but the challenges are formidable.

As the voice of trusts in systems, we have worked to shape the environment in which our members operate, highlight the challenges they face, provide support, share good practice, and promote success.

We remained on the front foot in our behind the scenes influencing activities, and our media work, providing insight, analysis and commentary on key developments and leading debate through high profile interventions. Our programme of events and networking opportunities, including the Annual Conference and Exhibition, hit new heights as we returned to more face-to-face activities while retaining a busy online schedule.

We made further strides in developing and delivering our support offer across key priorities including provider collaboration, trusts in systems, digital boards, quality improvement, health inequalities and race equality. As the continuing excellent results from our member, stakeholder and staff surveys show, NHS Providers has once again delivered for our members and the wider service across all four elements of our strategy – voice, influence, support and excellent organisation.

This was accomplished amid a period of significant upheaval for our members, during a change of leadership with the appointment of a new chief executive, and the move to a new office in Victoria better suited to accommodate our expanded staff team and the demands of hybrid working. So, a challenging but very rewarding year in which NHS Providers has once again stepped up successfully to make a real difference for members in a fast-changing health and care environment.



Sir Ron Kerr
Chair, NHS Providers

OUR OBJECTIVES AND ACTIVITIES

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

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

We uphold our duty of public benefit by being an outstanding membership organisation supporting the NHS trusts and foundation trusts who provide frontline healthcare to England's 56 million population. Our members include NHS acute hospitals, community, mental health and ambulance service foundation trusts and trusts that, together, interact with more than five million patients and service users a week, employ 1.4 million people, and account for £115bn of the £150bn spent by the NHS.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. NHS Providers' public benefit is enshrined in its charitable objectives as outlined above.

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

Our vision

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

Our mission

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

Our strategic objectives

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

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

Our values

At NHS Providers, we are:

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

KEY ACHIEVEMENTS AND PERFORMANCE

Over the course of 2022/23, we continued to deliver effective influence, voice and support for our membership, with a keen focus on the impact of sustained operational pressures post pandemic and our members' achievements in unprecedented times. The past 12 months have involved considerable political volatility and been shaped in political and policy terms, by the prospect of an approaching general election. Over the course of the year, we have invested in maintaining constructive relationships with all key political parties, and with national decision makers. This has enabled us to remain an effective voice for our membership on challenging issues including lack of capital investment, care recovery post pandemic, staff burnout and workforce vacancies and the role of trusts in new health and care systems.

It is important to acknowledge the contribution at this time made by Saffron Cordery who, as interim chief executive, provided exceptional leadership, supporting and speaking up for members and offering calm authority, good judgement, and courage that stood us in good stead.

We have also overseen a smooth transition of leadership, welcoming Sir Julian Hartley as our next chief executive on 1 February 2023. We have revisited our approach to engaging in depth with our membership with a re-energised visits programme and a weekly read out of individual trust's challenges and achievements in our new bulletin 'Start the week'. We have continued to operate a hybrid working model, celebrating moving into a new, collaborative and modern office space. Our staff have once again gone above and beyond to deliver for the membership in a new context.

The year ahead will bring further change for the NHS, for our membership and for NHS Providers. We recently rearticulated our immediate priorities for the year within our existing strategy framework. These include engaging with our membership, playing a leading role in shaping debate ahead of the general election, advocating for a resolution to industrial action; and a need for us to support provider collaboration and improvement.

Below we set out a short summary of our work and achievements against each of our four strategic objectives: influence, voice, support and excellent organisation, including the priorities we set out for 2022/23 in our previous annual report.

Influence

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

- **Offered balanced, evidence-based public commentary and sense-making for members, explaining the impact of ongoing industrial action and calling for resolution.** As the NHS faced unprecedented, and escalating strike action, we focused on explaining the preparations trust leaders and their staff have been making to protect safety and staff wellbeing, and the efforts spent maintaining relationships between management and frontline staff. We struck a balanced tone, acknowledging why some staff have taken the difficult decision to strike, and focusing on advocating for a resolution between government and unions, including on pay for 2022/23.
- **Made clear the continuing impact of Covid-19, the flu and winter pressures on the service, both publicly and by engaging directly with decision makers.** We remained engaged in policy discussions on winter planning; the elective recovery plan; the urgent and emergency care plan; the wider backlog of care and its impact on mental health, ambulance and community services, staff and patients; national workforce planning; the vaccination programme and additional capital investment linked to winter pressures. Winter watch and our activity tracker continued to generate meaningful commentary about the pressures trusts are facing and their achievements in difficult times.
- **Worked in coalition to secure a commitment to a long-term NHS workforce plan (LTWP) to address workforce challenges and skills shortages.** One of a small core of partners steering a coalition of over 100 health bodies, we were pleased to secure the chancellor's commitment to publishing the LTWP, and to engage with NHS England (NHSE) in shaping the final publication.

Our focus remains on ensuring the LTWP is now published, is appropriately funded, and balances short-term action with a medium and longer-term outlook. We continued to highlight the ongoing impact of vacancies on trusts' staff and services. Our evidence to the pay review bodies was highly valued by members of those committees.

- **Argued for the NHS to be appropriately funded, with a clear focus on capital investment and the New Hospital Programme.** We have sustained a priority focus on the need for greater capital investment for all sectors of our membership within all our messaging and published a report with our updated asks of government and NHSE. We have made the case for decisive action to progress the New Hospital Programme and for unsafe reinforced autoclaved aerated concrete planks to be rectified. More broadly, we continue to highlight how far NHS investment has dropped below the long run average, and below that of comparable health systems internationally – and to pitch for appropriate funding for other key services including public health and social care.
- **Parliamentary engagement – we ensured provider interests were fully represented** during the final stages of the Health and Care Bill's (now act) passage through parliament and more recently in briefing contributors to support fuller debate on the Strikes Bill. In a year of political volatility, we developed strong relationships with each secretary of state for health and social care and ministerial team, and new teams in No.10, while maintaining and building our constructive relationships with shadow spokespeople and teams, select committees and other key parliamentarians.
- **Supported trusts to prepare for the Covid-19 Inquiry**, offering a range of very well attended webinars and explanatory briefings in partnership with law firms, as well as engaging with the national inquiry team and monitoring proceedings, contributing to national learning from the pandemic response and setting out publicly our aspirations for the inquiry.
- **Established ourselves as the voice of trusts in systems.** We engaged extensively with the Hewitt Review to ensure trusts' perspectives were heard and taken into account. We have influenced a raft of new guidance exploring the leadership

role of trusts at the levels of neighbourhood, place, integrated care system (ICS) and pan-ICS. We highlighted the contribution trusts make to system working in a dedicated Trusts in Systems edition of our Providers Deliver case study series. We launched a dedicated programme of influence and support for provider collaboratives, helping to shape national guidance based on member views and offering a range of peer learning and webinars. We continued to highlight the importance of robust and rigorous answers to questions of governance, accountability, quality improvement and oversight, clinical leadership, and financial flows through a series of blogs and thought pieces.

- **Health inequalities and prevention** – we launched a new programme of influence and support to promote the role trusts play in reducing inequalities. We published an impactful report which generated considerable media activity, informed by a member survey on the impact of the rising cost of living on patients and trust staff. We have also highlighted and shared examples of trusts acting as anchor institutions to support their local economies and communities.
- **Developed our focus on governance support, quality and risk management** – in addition to updating a compendium of governance good practice in light of system working, we continued to work with NHSE and members to highlight unanswered questions raised by system working, including around conflicts of interest. Our commentary on risk management has evolved to acknowledge the degree of pressure on the service with bed occupancy above levels considered safe and care backlogs for many services. We are proactively engaging with trust boards about their approaches to risk management in challenging times.
- **Informed the shape of evolving quality and regulatory frameworks.** We facilitated several constructive conversations with Care Quality Commission (CQC) as it evolved its strategy and operational approach. We have engaged with NHSE's new operating framework and oversight framework, offering a number of member roundtables to inform their approach, and have built a positive dialogue between members and NHSE around intensive support.

- **Developing our contribution on care quality, safety and improvement** – informed by member feedback, we have focused on the key barriers and enablers to high quality care, as well as raising the profile of risks to quality and the impact on patients, especially in the context of extreme, long-term operational pressure. We have promoted the trust board’s role in leading quality and safety, and the importance of nurturing a culture of safety within the healthcare system, as well as expanding our representation of trusts within national clinical research policy discussions. We have also enabled trusts to develop their approach to improvement and influenced the national policy agenda on improvement, including the importance of a strong focus on equality as integral to quality.
- **Digital transformation** – we successfully encouraged NHSE to adopt a more flexible approach to electronic patient record convergence, and contributed to national policy developments on digital maturity assessments and ‘what good looks like’. We have rolled out our new Digital ICS programme, in addition to our ongoing Digital Boards work.
- **We worked closely with the Association of Ambulance Chief Executives (AACE)** to highlight the impact of operational pressures, the whole-system approach needed to tackle handover delays, and the role of the ambulance sector in tackling health inequalities.
- **We sought to influence how specialised services will be commissioned and delivered in a systems world.** Working closely with Shelford Group and Federation of Specialist Hospitals (FOSH) to influence NHSE’s approach, to brief members on developments and to run a series of topic specific webinars to share learning.
- **We continued to develop new relationships with colleagues in primary care.** We are piloting support for population health management approaches at neighbourhood level with National Association of Primary Care (NAPC) and have sustained our relationship with a group of ‘at scale’ primary care providers.

Sector focus

- **We supported our mental health leaders.** We continue to monitor and shape reform of the Mental Health Act and the wider governmental strategy on major conditions, including mental health. We have focused on equity for mental health services in systems, and with regard to funding decisions, particularly capital investment. We also worked to ensure mental health issues were clearly reflected in key national reviews including the Hewitt Review.
- **We championed, and raised the profile of, community services.** Working in partnership with NHS Confederation via the Community Network, we were successful in briefing the relevant minister on community workforce challenges, and in influencing the detail of the LTWP and its underpinning analysis for the community sector. Our #CelebratingCommunityServices week on social media was a first for NHS Providers and our partner, NHS Confederation, and raised the profile of the service.

All of our influencing activities are underpinned by constructive relationships with key stakeholders and a robust evidence base. We sustained our stakeholder engagement with key decision makers including the secretary of state for health and social care, the ministerial team and shadow frontbench, the health and social care select committee, and other senior parliamentarians, as well as the leadership of NHSE, CQC and other national bodies.

Over the past year, we continued to offer our ‘in conversation with’ programme. We ran our member survey programme on a range of topics including cost of living, trust finances and board remuneration. Our annual stakeholder and member surveys continue to confirm the very positive views that stakeholders and trusts have of NHS Providers and our work.

In total during the year we:

- published 107 briefings and reports, including 19 *On the day briefings* and 18 *Next day briefings*,
- submitted 21 consultation responses, and
- held over 500 meetings with key national decision makers.

Voice

Over the past year NHS Providers has consolidated and strengthened its reputation as an authoritative and trusted commentator on provider issues and the wider challenges facing health and care. Trusts and stakeholders value our informed, measured, and insightful commentary, and we have maintained our prominent media stance on an array of concerns while broadening our range of spokespeople and focusing our activities on high impact outlets, including Radio 4's Today Programme, Sunday with Laura Kuenssberg and Times Red Box.

Once again we have faced the challenge of striking the right balance between reflecting the risks posed by unprecedented pressures at a time of severe and sustained workforce shortages and disruption caused by industrial action while retaining a sense of agency, highlighting trusts' innovations and achievements in acute, mental health, community and ambulance settings. We underlined the value of collaboration and partnership working, reflecting the evolving system-based landscape in which we and our members operate.

Winter pressures, combined with the continuing impact of Covid-19 saw many trusts stretched as never before prompting quality and safety concerns over urgent and emergency care with a particular focus on ambulance handovers and 12-hour waits after a decision to admit. There was also an increasing media focus on acute mental health and maternity care, and the growing elective waiting list, even as the numbers affected by the longest delays fell. We promoted examples of progress in recovery, and successful innovations to overcome delays.

In an increasingly febrile pre-election climate, it was notable that support for the founding principles of the NHS (reflected in numerous polls) remained strong, though public confidence in the health service has been hit by concerns over performance and service quality. This in turn has prompted increased critical scrutiny of the NHS model, its sustainability and value for money. While working proactively and reactively to defend the reputation of the NHS, we also opened a dialogue with members on future reform to help us frame and lead the debate on its future.

NHS Providers played an important public role in highlighting the consequences of industrial action and urging government and the unions to seek a rapid resolution. Our close dialogue with our members allowed us to offer invaluable insight and updates through successive strikes. While maintaining a neutral stance on the dispute we expressed understanding of the frustrations felt by staff who had seen their pay fall behind inflation and made a strong intervention on trust leaders' concerns about the growing cost of living crisis.

We also made frequent interventions on the need for a fully costed and funded long term workforce plan and for urgent capital investment across a range of settings.

Over the course of this busy year, we secured more than 30,000 media mentions. We also placed 40 commentary pieces authored by our staff and experts from partner organisations or members. We continued to strengthen our social media engagement on twitter and LinkedIn, and we developed our use of videos and podcasts to increase our reach across digital platforms.

Support

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

- Hosted over 800 senior leaders, stakeholders, and journalists at our annual conference.
- Held 459 development and engagement events for our members, involving over 9000 delegates with 100% of our members engaging with at least one programme. 97% of delegates said they would recommend these events to a colleague. These events comprised:
 - 33 network meetings for board level directors.
 - 10 virtual roundtables with key system figures.
 - 221 board development courses, reaching over 2,500 delegates.
 - 72 virtual courses within our GovernWell training programme, reaching over 1,200 NHS foundation trust governors.
- Delivered the final year of our Digital Boards programme, designed to support boards in leading digital transformation, and engaged with more than 1,000 directors from 85 trusts, delivering 38 bespoke board development sessions, a wide range of peer learning events, and two leadership guides.
- Continued our Leading Integration Peer Support programme, working with local systems in partnership with the NHS Confederation and the Local Government Association, delivering bespoke work with ICSs and six dissemination events with high attendance and overall satisfaction.
- Completed the second year of our Trust-wide Improvement programme, supporting boards to understand and implement a whole organisation approach to improvement, engaging over 100 trusts, delivering peer learning webinars, action learning sets and a series of supporting blogs. We also secured funding for an extension of this programme to explore shared approaches to improvement across provider collaboratives, based

on a partnership with the Q Community and funding from NHSE and The Health Foundation.

- Delivered our core Provider Collaboration programme which focuses on maximising the benefits of greater collaboration at scale, including webinars, peer learning forums for directors of strategy and programme directors, case study briefings and joint work with the NHS Confederation on delegations and the interface between provider collaboratives and ICBs.
- Launched our Race Equality programme which aims to make race equality a core part of board business, engaging 70% of trusts in the first six months. This included a series of videos on white allyship, blogs, webinars, a bank of resources and sessions at NED/executive inductions and at our network events.
- Continued our programme to help boards to effectively tackle health inequalities. Alongside three webinars and a number of policy briefings, blogs and reports, our three peer learning forums attracted particularly high levels of engagement.
- Launched our new Digital ICS programme as an extension to our existing Digital Boards offer. So far this has engaged over 300 NHS leaders, delivering four bespoke pilot development sessions, peer learning events along with two insights papers, blogs and a podcast episode.
- Continued to develop and deliver a range of additional, tailored support for boards, based on member need.

Excellent organisation

Implementing our four-year strategy

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

As set out in the strategy, we have continued to increase and diversify our income by:

- Increasing commercial income based on appropriate criteria.
- Seeking additional income from partners including national NHS bodies to deliver new support programmes for members, without compromising our independence.
- Over the four years of the strategy, prudently drawing down the reserves we have built up to invest in delivering the strategy, and limiting the uplift required in membership fees.
- Making a carefully judged uplift in membership fees which included protections for trusts with a lower turnover.

Shared values and behaviours

Co-produced with the staff team, our values and behaviours underpin our approach and all our work. Over the last year we have continued to embed those values in everything we do, including in our robust performance management process and reviewing a range of other relevant corporate policies. A values and behaviours staff group continues to meet to ensure the values are taken into account in all our activities and decision making.

We have also progressed a significant work programme to address race equality issues within the organisation and to support capacity in member trusts. Following an independent report on race equality at NHS Providers we have made an explicit commitment to be an anti-racist organisation, have published an anti-racism statement and detailed action plan setting out what we will do to drive

forward, monitor and measure progress against that commitment. A key part of the process has been the development of a staff group, the Race Equality and Cultural Inclusion Group (RECI) which provides support and challenge to the leadership.

Our staff survey results continue to be positive with 85% saying they are satisfied with their job and 86% commending the culture of the organisation. Alongside those positive results, we are working with our staff team to address areas of improvement with a focus on learning and development and our internal communications.

Office move

The need for more modern, flexible and accessible office space has been a key priority over the last year and we are pleased to have made the move into new office facilities at the end of 2022. We worked closely with the staff team to understand our working needs and how an office space might facilitate those. Our office move has supported the introduction of a new flexible and hybrid working policy which we hope will continue to offer a supportive, inclusive and collaborative environment for all staff, with options to work from home some days in the week, with a clear office base.

Feedback from members and stakeholders

During 2022/23 we continued to deliver high professional standards across all our work, ensuring that as an organisation we are fit for purpose and offer outstanding value for money to our members. By the end of the 2022/23 financial year, NHS Providers had 100% of the 211 eligible foundation trusts and trusts in membership.

In the most recent members' survey nearly nine in 10 respondents (88%) were 'very' or 'fairly satisfied' with our overall offer over the last year. In terms of how we represented the view of trusts in the media 81% of respondents were 'very' or 'fairly satisfied', however satisfaction levels for this were even higher in particular roles including finance directors (100%) HR directors (100%), chief executives (90%) and chairs (91%). Almost nine in 10 respondents (86%) were 'very' or 'fairly satisfied' with the work of NHS Providers, and nearly all chairs (97%) and chief executives (97%) were 'very' or 'fairly satisfied' too – the same percentage of which would speak positively about NHS Providers. Almost all (95%) of respondents feel it is important for their organisation to be a member.

We have also maintained high levels of satisfaction among our stakeholders. Our independent survey of 22 health and political leaders and the media – conducted on our behalf by Ipsos – resulted, once again, with very strong and positive feedback that found stakeholders continue to value the regular, direct and informal contact they have with us. Our contributions were viewed as particularly strong in relation to NHS workforce issues and pressures on the system. The most common words used to describe NHS Providers were: 'insightful, credible, knowledgeable, professional, thoughtful and visible.'

Staff wellbeing and support

Overall job satisfaction has improved by 1% on the previous year, with 85% saying they are satisfied with their job, and staff remain very positive about the culture of the organisation, their line manager and leadership. Most notably the satisfaction with their line manager was exceptionally high at 86%.

With the office move and the adoption of a formal hybrid working policy, there is the expectation that overall satisfaction will continue to increase significantly and be reflected in a future staff survey. This is due to the office environment causing significant discontent previously. There is an increase in staff embracing hybrid and flexible working, although difficult workloads continue to be acknowledged, and staff wellbeing continues to be a priority.

OUR PLANS FOR THE FUTURE

We are uniquely placed to work across the key issues that affect trusts from a board perspective, drawing on the views and experience of our membership which includes all of the 211 hospital, mental health, community and ambulance trusts in England. The year ahead will bring change as we work to represent and support our membership amidst the continued turmoil of industrial action, against a backdrop of operational pressure and ahead of the next general election.

We are heartened by public support for the founding principles of the NHS but particularly mindful of the drop in public satisfaction with the NHS and of the need for us to help make the case to address deepening and longstanding fault-lines which threaten the sustainability and quality of services for patients and undermine NHS staff morale. These include: the mismatch between funding, capacity and demand; the lack of national workforce planning; the need to invest in prevention; and the need for political commitment to place social care on a sustainable footing.

As we enter the third year of a four-year strategy, we will continue to make a concerted effort to understand the challenges that trusts are facing to sustain our credibility and relevance and to represent their interests in fast changing times. We will also face a challenging economic environment ourselves with pressure on our costs and other funders including national NHS bodies.

But our strategic priorities, and our laser-like focus on meeting the needs of our membership remain unchanged. Our priorities for 2023/24 are outlined below against each of our four strategic objectives of influence, voice, support and excellent organisation. The strategic objectives set out in our four-year strategy are:

Influence

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

Voice

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

Support

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

Excellent organisation

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

Influence

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

- **Informing debate on the NHS ahead of a general election** – we will influence the national conversation about the NHS model, ensuring that provider needs are given adequate attention, in the context of making the case for a whole-system shift towards greater focus on prevention and health improvement. We will engage with each of the main political parties to inform the development of their positions in the runup to an expected 2024 general election. We will continue to highlight the longstanding pressures which pre-dated the pandemic, and will continue to champion the achievements of trusts publicly and to support trust boards and NHS staff.
- **Workforce** – we will continue to argue for support measures for the NHS workforce with a clear focus on the recovery of services and tackling low morale and burnout. We will promote a workforce model which is sufficiently well resourced, flexible and supported, underpinned by a multi-year plan. We will advocate for inclusive leadership and equality, diversity and inclusion as prerequisites to good quality care.
- **Funding and finance** – we will make the case for increased capital funding for all sectors and the reform of allocation processes. We will emphasise the scale of the challenge facing trusts and systems to balance the books in 2023/24. We will influence and constructively shape the development of the new financial architecture as system working becomes embedded, including the reintroduction of activity-based payments. We will also explore the benefits of greater investment in preventative action and public health.
- **System working** – we will help shape the new and emerging policy and regulatory frameworks constructively. We will support trusts and their partners to become leaders and co-leaders of system working, to collaborate at neighbourhood, place, ICS and pan ICS levels with a clear focus on influencing and supporting the development of provider collaboratives.
- **Operational performance** – we will continue to set out clearly the pressure on trusts in all sectors and the support they need, and highlight where the service has responded successfully to reduce care backlogs and deliver good care in extremely difficult circumstances. We will provide informed commentary on how well the sector delivers against national targets, both current and planned.
- **Regulation** – we will advocate for proportionate, risk-based regulation and oversight. Focusing on NHSE and CQC, we will work to ensure current and future approaches are proportionate and the burden of regulation is reduced, and we will provide constructive challenge when regulatory behaviours do not align with the desired shift towards a more nuanced and mature regulatory approach. We continue to maintain a helpful working relationship with professional regulators and others, including the Health and Safety Executive.
- **Care quality** – we will develop our contribution on care quality, focusing on the trust board's role in providing leadership and creating a quality improvement and learning culture. We will raise the profile of the quality agenda in the context of extreme, long-term operational pressure and make links with NHS Impact, the new quality improvement framework launched by NHSE.
- **Governance** – we will demonstrate why good governance is an enabler of collaborative working within systems and critical to care quality and organisational culture. We will continue to highlight and support the leadership and accountability role of boards, promote the unitary board model, and make clear the links between governance, regulation and system working.
- **Digital** – we will argue for sufficient, coordinated funding for trusts and their partners in support of digital transformation, and continue our dedicated support offer for boards, and potentially system partners.
- **Health inequalities and prevention** – we will champion the need for sufficient investment in public health and promote the role trusts play in supporting a preventative approach and as anchor institutions in their local area. We will

capture good practice examples of trusts acting to reduce inequalities in access to, experience of, and outcomes from, the care they provide.

Sector focus

(all priorities run across the year)

- **Mental health** – we will sustain our influence and support for mental health trust leaders with a focus on recovering the care backlog generated during the pandemic, reforms proposed by the Mental Health Act, learning from quality reviews and the national focus on inpatient care, government’s major conditions strategy, and sustained participation in influential national stakeholder groups.
- **Community providers** – we will continue to support the Community Network in partnership with NHS Confederation. We will make community service care backlogs visible, emphasising children and young people’s services, and highlight the key role community providers play in systems and at place in supporting urgent care and preventative approaches.
- **Ambulance** – working in partnership with AACE, we will continue to highlight and seek to address the unprecedented operational pressures facing the service.
- **Specialised services** – we will continue to work with partners to ensure specialised services are commissioned and funded appropriately, including in the context of joint commissioning between ICBs and NHSE.
- **Primary care** – we will represent member interests as systems look to drive integration between primary and secondary care. We will demonstrate the trust contribution, including through vertical integration, and will build on our partnerships with primary care organisations and their representative groups.

Voice

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

- Being the recognised commentator for NHS provider issues, within the evolving context of system working, for both the national and trade media.
- Ensuring we have significant reach, profile and impact across social media channels and making sure our proactive and reactive media commentary and analysis has maximum visibility.
- Speaking truth to power about the consequences of the current pressures on providers and the wider health and care system, and what trusts and their partners can reasonably be expected to deliver given these pressures.
- Developing our well received case study series, Providers Deliver, to showcase the achievements of the provider sector and sharing learning on successful innovation.
- Shaping and leading debate on the reputation, role and reform of the NHS as we move towards a general election.
- Mirroring and building on the new partnerships trusts are developing at the frontline to become the emerging voice of a broader range of health and care providers.

Support

We will continue to help members drive improvement and innovation through effective, shared development, support, and learning with a particular focus on:

- Peer learning, training, and development opportunities for specific board director roles through our networks, induction programmes, our board and governor training programmes and our commercial partnership programme.
- GovernWell will continue to deliver a full range of training courses aimed to equip foundation trust governors with the skills required to fulfil their responsibilities.
- Bringing together provider sector board members to discuss and advise us and key stakeholders on key topics through roundtable events, dinners and our 'In Conversation with' series.
- Whole board support through our growing portfolio of programmes to help boards adapt and lead in a rapidly changing operating environment, including:
 - The Board development programme's series of training courses and offer of bespoke board development for individual trust boards.
 - Continuing our Digital Boards programme delivered in partnership with Public Digital and supported by Health Education England and NHSE/I, to build boards' understanding, confidence and capability to harness the opportunities digital provides to transform services for patients and service users.
 - Building further on our Trust-wide Improvement programme, supported by the Health Foundation, supporting boards to develop greater awareness and understanding of improvement at scale, both within and beyond the boundaries of a single provider, and to take action to implement and sustain improvement.
 - Continuing our Race Equality programme to support trusts to effectively identify, challenge and lead work on race inequality, and to embed this work as a core part of the board's business.
- Continuing a programme to help boards to effectively tackle health inequalities.
- Supporting trusts in systems, including:
 - Continuing to build our Leading Integration Peer Support offer delivered in partnership with NHS Confederation, NHS Clinical Commissioners and LGA.
 - Delivering the Provider Collaboration programme focused on collaboration at scale, supporting members to maximise the potential to tackle care backlogs, reduce unwarranted variation, address health inequalities and deliver more efficient, sustainable services.
 - Continuing a board level support offer to help ICS leaders and ICBs to lead digital transformation across their system as a critical enabler to improve outcomes, tackle inequalities, enhance productivity and drive wider social and economic development.
 - Our annual programme of major conferences for members including our Annual Conference and Exhibition held each autumn and due to be held in Liverpool in 2023. Throughout 2023/24 we will deliver our support offer, blending both face-to-face and virtual learning as members require.

Excellent organisation

- We will strive to provide outstanding value for money, create a supportive environment for our staff and continually improve. With a particular focus on:
 - Continuing to deliver our four-year strategy.
 - This year we have articulated our immediate priorities for 2023/24 within the framework of the current strategy with a new visual of a 'strategic triangle' which we hope makes clear our shared focus as a staff team for everyone who works for, and with us.
 - Driving the implementation of the race equality action plan.
 - Embedding our hybrid working policy alongside getting the best value from our new office environment.
 - Increasing and diversifying our income and improving cost-effectiveness to reduce our reliance on member fees. We will do this without compromising our independence and ability to speak truth to power. This includes:
 - Maintaining commercial income in 2023/24 whilst seeking growth opportunities. We will do this by developing our course offers and by engaging with our commercial partners and enabling them to bring thought leadership and insight to our members.
 - Delivering a successful face-to-face annual conference and exhibition, with sponsorship at or greater than the level secured in previous years.
 - Seeking project funding from national bodies (such as NHSE).
 - A sustained focus on efficiency at NHS Providers.
 - Drawing on reserves over the coming period to continue our policy of investing and developing services to members in key strategic areas and thereby aligning with our reserves policy.
 - Managing risk and asset replacement to support member service delivery.

Further information and contact details

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FINANCIAL REVIEW

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

Under its current strategy, NHS Providers aims to:

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

Income from charitable activities increased by 15.7% to £2,969,669 (2022: £2,566,044). This change was driven by a sustained increase in project and course income. In 2022 NHS Providers secured a three-year project funded by Health Education England (HEE) on Digital Leadership Training for ICBs, total value of £1.2m. NHS Providers also secured funding from NHSEI for the Collaborative Improvement programme.

Course income has increased significantly by 27% to £706,150 (2022: £554,467). Courses continued to be delivered in a blend of virtual, hybrid and face-to-face which has increased accessibility. The increased income reflects the strategic commitment to grow course income and is reflective of the excellent course ratings which have driven member engagement.

Subscription income grew by 15.8%. The increase is in accordance with the table of percentage fee increases approved in the four-year strategic plan. At year end NHS Providers had 100% of trusts in membership, which represented 211 trusts.

Revenue of the charity's wholly owned subsidiary, FTN Trading Limited, increased by 183% from £177,359 to £503,349 for the year ending 31 March 2023.

NHS Providers delivered its first face-to-face Annual Conference and Exhibition (ACE) since the Covid-19 pandemic started. The conference was a success and generated £348,785 income; £188,000 in ticket sales and £161,000 in sponsorship income. Other commercial income fell marginally by 6% as FTN Trading strategised to consolidate and strengthen its offer to retained partners post Covid-19 rather than increase partner reach. The overall performance of the trading entity was robust as it generated a profit of £91,225 for year ending 31 March 2023.

Overall expenditure excluding expenditure from FTN Trading Ltd increased by 25% to £8,463,545 (2022: £6,785,181). The increase in costs reflects increased activities across the organisation, evidenced by higher course income and expanding our project delivery. Costs have increased as we have increased our capacity to deliver the expanded programme, resumed more face-to-face delivery post Covid-19 and inflationary pressure. The organisation increased headcount by 20% during the year, and moved to new office premises that support our hybrid working; these factors have contributed to higher operating costs.

NHS Providers realised a surplus of £569,157 for the year, (2022: £878,630). The prior year was marred by the challenges of Covid-19, which yielded some savings on operating costs, most notably due to virtual delivery. The current financial year by contrast demonstrates a strong return to normal at a sustained pace to meet members' need. This reflects staffing cost to adequately resource secured project work as well as staff investment required to fulfill our four-year strategy. The full-year salary costs of these hires impact finances fully in 2022/23. Operational on-cost from increased headcount and new premises have increased the establishment run rate cost of NHS Providers.

NHS Providers has delivered a strong surplus which strengthens reserves and exceeds budgeted expectation.

Heading into 2023/24 NHS Providers will focus on building increased organisational sustainability as well as creating mitigation strategies for income uncertainty. The reserves policy defines the framework for responsible management of the reserves.

Reserves policy

In the trustees' view, the charity's reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives should a change in financial circumstances occur, considering potential risks. Reserves are maintained to further the strategic aims of the charity and to maximise business growth opportunities, subject to approval by the finance and general purposes committee (F&GP). In 2022, the board confirmed the reserve policy for free reserves, excluding designated and restricted funds, as the range from £900k to £1.3m.

At year-end, the group had total reserves of £3,757,634 of which £3,740,967 are unrestricted. At year-end the group had free reserves of £2,242,467. (Free reserves are cash or liquid funds that can be spent freely to support our aims. They exclude fixed assets).

We acknowledge the reserves level is higher than the target range as set out in the policy above. Over the coming three years we will be investing reserves to bring us to within the target range. To achieve this we will invest in key strategic priorities and delivery services to members as we align income and expenditure over the coming three year period.

F&GP will review the policy and level of reserves on an annual basis to ensure that they are sufficient to meet the group's continuing obligations, commensurate with risks face by the organisation.

Restricted funds

Restricted funds can only be used for the purpose and in accordance with the terms agreed by the funder. In 2023 restricted funds are £16,667, (2022: £61,914); these are funds provided by NHSE to deliver on a peer support offer for local systems. Further details are given in note 16.

Unrestricted designated funds

Designated funds at year-end total £1,075,516 (2022: £17,565). The designations have been formally agreed prior to year-end by F&GP and noted by the board.

The year-end designations comprise:

- A fixed asset reserve of £422,989 which formally ringfences current level of investment in fixed assets.
- A digital investment reserve of £340,000 provision for the estimated investment in an integrated website and CRM system for NHS Providers required during 2023 and into 2024. A level of sustained investment will be required to future proof the organisation.
- A digital boards programme reserve of £300,000 has been created to mitigate time delays on securing digital board project income and fund interim costs in 2023.
- A community network fund supports trusts, (2023: £12,527, 2022: £17,565) with a plan to spend these designated funds during 2023.

Designated funds will be released upon completion of the investment project and or securing investment funds.

Further details are given in note 16.

The designations are excluded from funds available to underwrite operational risk.

General unrestricted funds

Reserves excluding designated and restricted funds total £2,665,451.

Going concern

We have adequate financial resources and are proactive in identifying and mitigating business risks. Our planning process, including financial projections, considers the current economic climate and its potential impact of various sources of income and expenditure. NHS Providers is agile in its delivery to

members harnessing the advantages that platforms such as hybrid delivery affords. Endorsement of our members' support is evidenced by retention of 100% of our membership at year end. Additionally, we continue to diversify income by developing and strengthening commercial income streams and securing new areas of project funding.

These measures safeguard our revenue and cashflow enabling us to provide assurance about our financial stability notwithstanding any unexpected challenges. The charity has a strong balance sheet with a high level of net current assets due to the cash reserves held. The trading entity realised a surplus in 2023 with the expectation of maintaining profitability.

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

Fundraising

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

Principal risks and uncertainties

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

The risk management strategy comprises:

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

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

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

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

- **Sufficient finances and external funding:** the charity is reliant on a high level of subscription income to deliver services to members and cover operational costs. Resources are dedicated to active membership engagement to maintain high levels of service delivery and member

retention. We strive to diversify our income mix and expand commercial and external funded income. External funding for projects introduces a significant level of volatility to planning and increases financial risk exposure to the organisation. Contingency planning for downside risk and escalation plans for upside and downside risk provide mitigation. The reserve policy underpins management of financial risk around project volatility. Lack of alignment of operational costs with budgets undermines long-term planning and commitment to the agreed reserve policy. Mitigations are on-going commitment to cost savings, cyclical reporting, quarterly reforecasting, and clarity around budget accountability.

- **Human resource:** to mitigate the risks of under-resourcing, staff retention, succession planning impacting adversely on work-delivery and member service levels, adequate investment is made in talent management and staff development. Remuneration is regularly bench-marked against the market. Engaging with and monitoring staff wellbeing and workloads and aligning staff resources with our business plan and budgets are further mitigations in place.
- **Reputational:** on-going assessment of reputation is undertaken through a number of channels including senior management and the board. We acknowledge we need to remain reactive to changing member requirements and have capacity to do so. We have committed to improving our internal approach to diversity and inclusion in support of our members and acknowledge the inherent risks in getting the work right for us and our members. Increased engagement with external funders and joint projects necessitates rigorous upfront assessment and active management of the relationships and projects to mitigate reputational and financial risks.
- **External environment:** environmental factors may change the provider structure affecting our ability to deliver service to members and a resultant decline in income. We monitor the increasing number of members who are merging, forming groups, or sharing leadership structures and take account of any possible negative impact of this on member subscriptions through an annual review of the membership fee structure.

Additionally, our strategy aims to develop commercial income and project income to further mitigate the risk of reducing subscription income. The four-year strategic plan 2021-2025 is designed to future proof the membership structure and adequately support service delivery to members. The strategic plan, along with the annual business plan, ensures NHS Providers remains responsive and representative of member needs in a rapidly changing environment. Other external factors such as competition are regularly reviewed and appropriate offerings and/or alliances are created to mitigate their effect.

- **Operational:** on-going review of and investment in IT infrastructure and cyber security to ensure business continuity and safeguarding of information. Review of investment in corporate services infrastructure to keep pace with rapid business growth to support member and organisational delivery needs.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

This is the 12th annual report and audited financial statements of the Foundation Trust Network, operating as NHS Providers, since it became an independent organisation on 1 April 2011. Details of the organisation's incorporation as a private company limited by guarantee and registration as a charity are given on page 3. The company is governed by its articles of association, the latest version of which was approved by members in December 2021.

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

GOVERNANCE

Appointment and induction of new trustees

NHS Providers is governed by a board of elected trustees. Trustees who served during the period 2022/23 and to the date of this report are listed on page 28. Senior executive staff and external advisors are detailed on page 28.

In line with the articles of association, the board comprises up to 21 trustees, made up as follows:

- 10 board members from trusts/foundation trusts providing acute services.
- Six board members from trusts/foundation trusts providing mental health services.
- Two board members from trusts/foundation trusts providing community services.
- Two board members from trusts/foundation trusts providing ambulance services.
- One independent chair.

There is provision in the articles to co-opt additional trustees to the board. To provide the board with appropriate focus and input from the perspective of ICBs, Patricia Miller, chief executive at Dorset ICB was co-opted to the NHS Providers board in February 2022, Patricia stepped down from this co-opted position on 31 March 2023. Similarly, Alan Foster, who was originally co-opted to the board in 2019 and served two further terms of co-option in 2022 and 2021, stepped down in December 2022.

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

The governance standards of the organisation are continuously monitored to assure compliance with the Charity Governance Code. In 2019, a full review of the governance standards of the organisation was carried out, with a board sub-committee convened to take this work forward. This group tasked an external, expert consultant to carry out a review of the board's governance arrangements against the seven principles of the Charity Governance Code 2017. The resulting report concluded that there exists sound evidence of compliance with the charities code across the full range of principles and from this it is fair to infer detailed compliance. However, the organisation has grown significantly since this review was undertaken and there is a risk that the current corporate services infrastructure needs to strengthen its capacity to meet increased business demand and information complexity that have arisen from such growth. A further independent review of the organisational corporate governance has been commissioned to take place early in the financial year 2023/24.

The organisation maintains a register of interests for trustees, as well as senior executives. The trustees'

and senior executives' interests' registers are reviewed annually and when there are substantial changes to the registers, such as following trustee elections. Additional oral declarations of interest are taken at the start of each meeting of the NHS Providers board and board subcommittee meetings.

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

In addition to the trustees (who have full voting rights at board meetings), the NHS Providers board is also attended by the chief executive, deputy chief executive, interim chief operating officer, interim director of funded programmes, director of policy and strategy, director of communications, and the head of the chair and chief executive's office as non-voting attendees. A scheme of delegation clearly lays out the respective responsibilities of the trustees, directors and management.

This, together with a full set of operational policies and procedures, determines the conduct of all executives and other employees.

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

The F&GP Committee's membership during 2022/23 comprised six trustees and a co-opted finance director member, Mike McEnaney, who was appointed in October 2020. The committee met five times during the period of this report. It is responsible for providing scrutiny and advice to the NHS Providers board on the oversight of:

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

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

The Remuneration Committee met three times during the period of this report. A detailed remuneration report including further information on the role of the remuneration committee and its work can be found on pages 24 to 27.

Other board sub-committees are formed periodically on a 'task and finish' basis, carrying out specific pieces of work as delegated by the NHS Providers board. Originally established in 2021 as a time limited sub-committee, to provide support and challenge on the development of the race equality programme, the board's race equality advisory group continues to meet. A key piece of work arising from this group was the commissioning of external training for the board to take place early in 2023.

Partnerships

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

Employees

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

To support its members, in line with the strategic objectives set out on page 5 the organisation needs to maintain a team of expert specialist staff covering areas as diverse as media, brand and communications, a breadth of healthcare policy issues, governance, development, engagement and event management and corporate functions including human resources, organisational development, financial management and ICT support.

Alongside recruiting high quality individuals NHS Providers is keen to promote continuous

development to ensure employees have the opportunity to develop their skills. Employee training and development needs are reviewed at least twice a year as part of an annual appraisal cycle and a learning and development plan for the organisation as a whole is produced every year.

A full remuneration report is set out on pages 24 to 27.

REMUNERATION REPORT

Statement of general approach to remuneration and governance

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

Remuneration committee

NHS Providers has a Remuneration Committee which, in 2022/23, met three times. This committee is chaired by a trustee and comprises five additional trustees, including the organisation's chair who is an ex-officio member of the committee. The NHS Providers chief executive is invited to attend but, along with other members of the executive in attendance, is excluded from discussions of their individual pay. Likewise, the chair is not present for any discussion relating to their fees.

The main responsibilities of the committee are to:

- Set the overall pay policy for the organisation as a whole and consider regular reports on the operation of that policy, particularly in relation to pay for staff other than the directors.
- Determine the remuneration package of the individual directors, on the recommendation of the chief executive and the chair.

- Determine the remuneration package of the chief executive, on the recommendation of the chair.
- Set the fees for the chair.
- Ensure contractual terms on termination are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

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

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

2022/23 Approach to pay

Staff pay

Staff include policy and communications experts, recruited from those sectors, with administration, development and support, event management and corporate services staff recruited from a wide range of different sectors. The organisation recruits relatively few of its staff directly from NHS frontline organisations. NHS Providers is committed to paying all staff the London living wage, currently set at £22,370. The organisation's lowest salary in 2022/23 was £24,500.

In line with the criteria agreed by the remuneration committee for determining an annual salary increment, staff meeting the appropriate conditions were awarded a pay rise of 4.5% to take effect from April 2023.

Salaries, at all levels, are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. The last review carried out by Reward Connected CELR in January 2022 indicated that NHS Providers' staff salaries are in line with or below market rates. There were significant difficulties in recruitment during the year and a number of leavers cited the competitiveness of the salaries as a primary reason for leaving. In order to attract and retain high calibre staff, in the context of the rising cost of living, a higher than usual percentage increase was awarded. No bonuses are paid to any members of staff nor to directors.

The ratio of salary between the organisation's highest and lowest paid member of staff is 1:11 with the ratio between its highest and median salary being 1:6.

Chief executive and director pay

The remuneration committee sets chief executive and director pay individually each year, taking account of individual and organisational performance. The remuneration committee is provided with information to ensure awareness of published salary rates for roles in similar organisations such as the LGA and NHS Confederation and, in the case of the chief executive, the salaries paid to chief executives of member organisations and relevant arm's length bodies. Director salaries are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. This year, it was agreed the chief executive and directors' pay would be frozen.

The results of the pay policy in relation to total remuneration, including salary and pension contributions, for 2021/22 and 2022/23 are reflected in the table on page 26.

Chair's fees

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

- chair fees in similar organisations,
- chair fees of foundation trust members, and
- chair or chair equivalent fees for the organisation's key stakeholders.

Pensions and total remuneration package

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

Impact of remuneration policy

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

- 86% overall member satisfaction with our work, described by Ipsos as a particularly high score for an organisation of our type.
- Members recognise and trust staff across the whole organisation, describing interactions as positive, effective and supportive (Ipsos member survey).
- 90% of staff would recommend it as a good place to work, 94% thinking their colleagues are committed to delivering high quality services and 90% say they enjoy working at NHS Providers.

Summary of remuneration: key management personnel

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

	2022/23 remuneration		2021/22 remuneration	
	Salary	Pension contribution	Salary	Pension contribution
Ron Kerr chair	£55,000	–	£55,000	–
Chris Hopson* chief executive	£50,268	£4,524	£218,436	£19,659
Sir Julian Hartley* chief executive	£46,061	–	–	–
Saffron Cordery deputy chief executive	£186,204	£16,758	£149,059	£13,415
Adam Brimelow, director of communications	£107,109	£9,640	£102,497	£9,225
Miriam Deakin director of policy and strategy	£114,173	£10,231	£102,497	£9,091
Kevin Rennie* interim chief operating officer	–	–	£85,848	£7,726
Alexis Chapman*, interim chief operating officer	£81,154	£4,835	£1,154	£35
Joanne Whyte*, assistant director of corporate services	£92,724	£8,345	£86,715	£7,804
Linda Asamoah*, interim assistant director (HR)	£19,154	£575	–	–
Jenny Reindorp, interim director of funded programmes	£101,887	£14,254	£16,250	£488

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

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

For information, C Hopson, J Hartley, S Cordery, A Brimelow, M Deakin, A Chapman, J Whyte, L Asamoah and J Reindorp were all employees of the company during 2022/23.

Banding

The number of employees whose emoluments exceeded £60,000 for the period was:	2023	2022
£60,000 – £70,000	7	4
£70,001 – £80,000	4	–
£80,001 – £90,000	2	5
£90,001 – £100,000	1	–
£100,001 – £110,000	2	2
£110,001 – £120,000	1	–
£140,001 – £150,000	–	1
£180,001 – £190,000	1	–
£210,001 – £220,000	–	1

Fluctuations are due to changes in the senior management team.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees/non-executive directors

Tracy Allen	(until 30 June 2023)
Ann Beasley	(until 30 June 2023)
Susan Brain England	(until 30 June 2023)
Nick Carver	(from 1 July 2023)
Mary Elford	
Alan Foster	(until 31 December 2022)
Beatrice Fraenkel	(until 30 June 2022)
Richard Henderson	(from 1 July 2023)
Angela Hillery	(until 30 June 2023)
Elliot Howard-Jones	(from 1 July 2023)
Nicholas Hulme	
Sir Ron Kerr	
Chris Lawrence	(from 1 July 2023)
Heather Lawrence	(until 30 June 2022)
Deborah Lee	
Harriet Llewelyn-Davies	(until 30 June 2023)
Sharon Mays	(from 1 July 2023)
Kathy McLean	
Patricia Miller	(until 31 March 2023)
Peter Molyneux	(from 1 July 2023)
Christine Outram	(until 30 June 2022)
Therese Patten	
Linda Pollard	
Helen Ray	(until 30 June 2023)
Jagtar Singh	(until 30 June 2023)
Karen Taylor	(from 1 July 2023)

Senior executive staff/directors

Chris Hopson	Chief executive (resigned 10 June 2022)
Sir Julian Hartley	Chief executive (appointed 1 February 2023)
Saffron Cordery	Deputy chief executive Interim chief executive (13 June 2022 to 31 January 2023)
Adam Brimelow	Director of communications
Miriam Deakin	Director of policy and strategy Interim deputy chief executive (1 July 2022 to 31 January 2023)

Alexis Chapman	Interim chief operating officer (resigned 14 July 2023)
Jenny Reindorp	Interim director of funded programmes
Jo Whyte	Assistant director of corporate services (resigned 2 March 2023)
Linda Asamoah	Assistant director HR (appointed 16 January 2023)
Tom Stanford	Interim director of finance and IT (appointed 17 July 2023)

Auditors

Saffery Champness
71 Queen Victoria Street
London EC4V 4BE

Bankers

The Co-operative Bank
80 Cornhill
London EC3V 3NH

Principal and registered address

157-197 Buckingham Palace Road
London, SW1W 9SP

Solicitors

Hempsons
The Exchange, Station Parade,
Harrogate HG1 1DY

The Foundation Trust Network

Charity registration number: 1140900
Company registration number: 07525114

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

In so far as the trustees are aware:

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

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

The Report of the Trustees and incorporated strategic report was approved by the NHS Providers board on 4 October 2023 and signed on its behalf by:



Sir Ron Kerr
Chair, NHS Providers

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NHS PROVIDERS FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of NHS Providers (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as of 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remunerations specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 29, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined

above, to detect material misstatements in respect of irregularities, including fraud.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

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

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

Audit response to risks identified:

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

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected

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

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

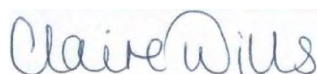
A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

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



Claire Wills (Senior Statutory Auditor)
For and on behalf of Saffery Champness
Date: 11 October 2023

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street London
EC4V 4BE

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the consolidated income and expenditure account)
for the year ended 31 March 2023

	Note	£ Unrestricted funds	£ Restricted funds	£ Total 2023	£ Total 2022
Income from					
Charitable activities	2	2,729,669	240,000	2,969,669	2,566,044
Subscription income		5,878,987	–	5,878,987	5,076,441
Other trading activities	3	503,349	–	503,349	177,359
Investments	4	25,069	–	25,069	1,635
Total income		9,137,074	240,000	9,377,074	7,821,479
Expenditure on					
Trading activities	3	344,372	–	344,372	157,668
Charitable activities	5,6,7	8,178,298	285,247	8,463,545	6,785,181
Total expenditure		8,522,670	285,247	8,807,917	6,942,849
Net income/(expenditure)		614,404	(45,247)	569,157	878,630
Transfers between funds	16	–	–	–	–
Net movement in funds		614,404	(45,247)	569,157	878,630
Total funds brought forward	16	3,126,563	61,914	3,188,477	2,309,847
Total funds carried forward	16	3,740,967	16,667	3,757,634	3,188,477

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

The notes on pages 38 to 52 form part of these financial statements.

GROUP BALANCE SHEET 31 MARCH 2023

	Note	£ 2023	£ 2022
Fixed Assets			
Intangible Fixed assets	12	2,146	6,900
Tangible assets	12	420,843	101,314
		422,989	108,214
Current assets			
Debtors	14	810,298	837,882
Cash at bank and in hand		3,741,978	3,512,425
		4,552,276	4,350,307
Creditors			
Amounts falling due within one year	15	(1,217,631)	(1,270,044)
Net current assets		3,334,645	3,080,263
Net assets		3,757,634	3,188,477
Funds			
Restricted funds	16	16,667	61,914
Designated funds	16	1,075,516	17,565
Unrestricted funds	16	2,665,451	3,108,998
Total funds		3,757,634	£3,188,477

The notes on pages 38 to 52 form part of these financial statements.

The total income of the charity as an individual entity for the year was £8,873,666 (2022: £7,644,120) and its net income was £410,120 (2022: £858,939).

A statement of financial activities for the charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

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

Approved and authorised for distribution by the board of trustees on 4 October 2023 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CHARITY BALANCE SHEET 31 MARCH 2023

	Note	£ 2023	£ 2022
Fixed assets			
Intangible fixed assets	12	2,146	6,900
Tangible assets	12	420,843	101,314
Investments	13	1	1
		422,990	108,215
Current assets			
Debtors	14	847,747	869,315
Cash at bank and in hand		3,525,324	3,203,344
		4,373,071	4,072,659
Creditors			
Amounts falling due within one year	15	(1,129,654)	(982,922)
Net current assets		3,243,417	3,089,737
Net assets		3,666,407	3,197,952
Funds			
Restricted funds	16	16,667	61,914
Designated funds	16	1,075,516	17,565
Unrestricted funds	16	2,574,224	2,683,331
Total funds		3,666,407	3,197,952

The notes on pages 38 to 52 form a part of these financial statements.

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

Approved and authorised for distribution by the board of trustees on 4 October 2023 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	Note	£ 2023	£ 2022
Cash flows from operating activities			
Net cash provided by operating activities	21	602,956	1,245,757
Cash flows from investing activities			
Interest income		25,069	1,635
Purchase of tangible fixed assets		(398,472)	(94,036)
Disposals of fixed assets		–	–
Purchase of intangible fixed assets		–	(2,301)
Net cash used in investing activities		(373,403)	(94,702)
		229,553	1,151,055
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		3,512,425	2,361,370
Increase in cash and cash equivalents in the year		229,553	1,151,055
Cash and cash equivalents at the end of the reporting period		3,741,978	3,512,425

The notes on pages 38 to 52 form part of these financial statements.

Analysis of changes in net debt	£ As at 1 April 2022	£ Cash flows	£ Other non - cash changes	£ As at 31 March 2023
Cash and cash equivalents				
Cash	3,512,425	229,553	–	3,741,978
Cash equivalents	–	–	–	–
Overdrafts	–	–	–	–
	3,512,425	229,553	–	3,741,978

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

Company Information

The charity is a registered charity (number 1140900) and a company (number 07525114) limited by guarantee. The registered office is 157-197 Buckingham Palace Road, London, SW1W 9SP.

Basis of accounting

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

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

Group accounts

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

Incoming resources

Subscription and other incoming resources are accounted for on a receivable basis.

Accrued and deferred income

Income is recognised in the SOFA in accordance with the Charities SORP FRS 102 income recognition criteria of entitlement, probability and measurement. Subscription income is invoiced in the associated

subscription year and therefore recognised in full within the financial year. Income relating to the financial year which has not been received or invoiced is recognised as accrued income. Grant and donation income are recognised when the SORP income recognition criteria are fulfilled.

Fund accounting

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

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

Classification of expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure and it can be reliably measured. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category:

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

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

Allocation of support and governance costs

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

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

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

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

Pension costs

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

Tangible fixed assets and depreciation

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

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

Short leasehold property improvements	20% straight line basis
Fixtures and fittings min-max UEL	Over three (min) and 10 (max) years straight line basis
Office equipment	Over three years straight line basis
Computer equipment	Over three years straight line basis

Intangible fixed assets and depreciation

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

Operating leases

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

Taxation

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

Key assumptions and estimation uncertainty

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

Financial instruments

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

2. Income from charitable activities

	£ Unrestricted funds	£ Restricted funds	£ 2023	£ 2022
Award agreement				
The Health Foundation	130,490	–	130,490	124,063
Projects and other income				
Digital transformation	933,091	–	933,091	933,091
NHSE/I	590,000	–	590,000	590,000
Community Network	–	–	–	17,500
Peer Support	–	240,000	240,000	230,000
ICS Digital	286,915	–	286,915	–
Collaborative improvement	59,000	–	59,000	–
Other income	24,023	–	24,023	116,923
Total projects and other income	1,893,029	240,000	2,133,029	1,887,514
Foundation trusts and trusts				
Course fees	706,150	–	706,150	554,467
Total income from charitable activities	2,729,669	240,000	2,969,669	£2,566,044

In 2022 total restricted income was £247,500 comprising £17,500 Community Network income and £230,000 Peer Support income.

3. Income from trading activities

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

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

The performance summary of the subsidiary:

	£ 2023	£ 2022
Turnover	503,349	177,359
Cost of sales, administrative costs and taxation	(344,372)	(157,668)
Interest receivable	59	–
Management charge	(58,334)	(29,168)
Net profit/(loss)	100,702	(9,477)
Loss b/f	(9,477)	–
Profit/(loss)	91,225	(9,477)
The financial position of the subsidiary:		
Current assets	311,310	543,905
Current liabilities	311,309	(553,381)
Total net assets	1	(9,476)
Share capital	1	1
Retained earnings	91,225	(9,477)
Total shareholder's equity	91,226	(9,476)

FTN generated a profit of £100,702 for the year after paying a management fee to its parent, NHS Providers.

A gift aid distribution of £91,225 will be transferred to the parent after accounting for the brought forward loss from last year of £9,477.

4. Investment income

	£ 2023	£ 2022
Interest	25,069	1,635

5. Analysis of expenditure on charitable activities

	£ Direct costs	£ Support	£ Governance	£ Total 2023	£ Total 2022
Influence	1,763,315	688,840	8,417	2,460,572	2,437,791
Voice	1,039,370	380,888	4,655	1,424,913	1,035,801
Support	3,185,597	1,375,653	16,810	4,578,060	3,311,589
Total expenditure	5,988,282	2,445,381	29,882	8,463,545	6,785,181

Expenditure on charitable activities was £8,463,545 (2022: £6,785,181). In 2023 £285,247 (2022: £199,086) of these costs were restricted.

Support and governance costs of £2,445,381 (2022: £2,093,631) and £29,882 (2022: £33,554) are analysed in note 6, totalling £2,475,263 (2022: £2,127,185). They relate to overhead costs incurred on the fourth strategic objective, professional organisation, which supports the activities of influence, voice and support.

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

6. Analysis of governance and support costs

	£ Influence	£ Voice	£ Support	£ Total 2023	£ Total 2022
IT	37,943	20,980	75,775	134,698	105,287
Premises	102,548	56,703	204,794	364,045	206,482
Human resources	491,799	271,936	982,151	1,745,886	1,589,262
General office costs	39,001	21,565	77,887	138,453	159,716
Legal	661	366	1,321	2,348	5,101
Irrecoverable VAT	13,947	7,712	27,852	49,511	26,986
Professional fees	2,941	1,626	5,873	10,440	15,400
Governance	8,417	4,655	16,810	29,882	18,950
Total support	697,257	385,543	1,392,463	2,475,263	2,127,185

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

	£ Influence	£ Voice	£ Support	£ Total 2022
IT	37,943	20,980	75,775	105,287
Premises	71,814	39,709	143,416	206,482
Human resources	491,799	271,936	982,151	1,589,262
General office costs	39,001	21,565	77,887	159,716
Legal	661	366	1,321	5,101
Irrecoverable VAT	13,947	7,712	27,852	26,986
Professional fees	2,941	1,626	5,873	15,400
Governance	8,417	4,654	16,810	18,950
Total support	666,523	368,548	1,331,084	2,127,185

* In 2023 cost allocation categorisation was revised. The analysis for 2022 has been restated for comparability purposes.

7. Total expenditure

	£ Total 2023	£ Total 2022
Net income/expenditure is stated after charging:		
Auditor's remuneration:		
Audit	21,300	16,000
Tax advisory, secretarial services	2,500	3,150
Payroll costs	5,500	4,725
Depreciation	71,415	126,131
Operating leases	176,717	204,532
Loss on disposal of fixed assets	12,282	1,506

8. Trustees

One trustee, Ron Kerr was reimbursed for expenses relating to travel and accommodation of £259, (2022: £292) and received remuneration of £55,000 for the year. (2022: £55,000). There is no contribution to a pension fund. The legal authority conferring authority to make payment is provisioned for in the articles of association. The clause was ratified at an EGM on 10 September 2013 under consultation with the Charity Commission. No other trustees received remuneration for services rendered or reclaimed expenses. The company incurred a cost of £833, (2022: £833) in respect of annual indemnity insurance for the trustees.

9. Key management personnel

The trustees regard the trustees (who, with the exception of Sir Ron Kerr, are not remunerated), the chief executive and the directors as key management personnel.

	£ 2023	£ 2022
Key management personnel emoluments	922,896	884,898

Key management personnel emoluments for 2022 has been re-stated with a pro-rata adjustment applied for comparability purposes.

Seven of the directors were in the workplace pension scheme which is a defined contribution pension scheme (2022:7) and one was in a personal defined contribution pension scheme to which the charity contributes (2022:1).

10. Staff costs

	£ 2023	£ 2022
Wages and salaries	4,904,731	4,077,652
Social security costs	542,565	425,568
Defined contribution pension costs	301,152	232,353
Defined benefit pension costs - NHS pension scheme	–	8,154
	5,748,448	4,743,727

Staff costs have been re-calculated to include holiday accrual element for the 2022 financial year.

There was a termination payment during the year but as there is an NDA in place no amount has been disclosed here.

11. Staff numbers

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

	2023	2022
Influence	28	25
Voice	16	11
Support	57	47
	101	83

The bandings for employees who receive more than £60,000 are set out on page 27.

In 2023 staff allocation was revised. The analysis for 2022 has been restated for comparability purposes.

12. Fixed assets – group and charity

	£ Intangible fixed assets	£ Leasehold property improvements	£ Fixtures and fittings	£ Office equipment	£ Computer equipment	£ Total
Cost						
At 1 April 2022	251,492	53,967	96,832	5,528	175,788	583,607
Additions	–	6,644	369,145	–	22,683	398,472
Disposals	–	(60,611)	(62,580)	(5,528)	(12,273)	(140,992)
At 31 March 2023	251,492	–	403,397	–	186,198	841,087
Depreciation						
At 1 April 2022	244,592	51,184	92,906	4,987	81,724	475,393
Charge for the year	4,754	1,524	14,515	–	50,622	71,415
Disposals	–	(52,708)	(62,580)	(4,987)	(8,435)	(128,710)
At 31 March 2023	249,346	–	44,841	–	123,911	418,098
Net book value at 31 March 2023	2,146	–	358,556	–	62,287	422,989
Net book value at 31 March 2022	6,900	2,783	3,926	541	94,064	108,214

13. Fixed assets investments

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

FTN Trading Limited

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

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

14. Debtors

	Group		Charity	
	£ 2023	£ 2022	£ 2023	£ 2022
Debtors	500,155	480,626	416,442	325,496
Other debtor	165,170	147,500	165,170	147,500
Prepayments	144,973	209,756	134,030	130,061
Amounts due from FTN Trading Limited	–	–	132,106	266,258
	810,298	837,882	847,748	869,315

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

15. Creditors – amounts falling due within one year

	Group		Charity	
	£ 2023	£ 2022	£ 2023	£ 2022
Trade creditors	538,153	562,581	532,025	437,487
Social security and other taxes	180,802	242,542	175,999	240,639
Other creditors	48,885	41,608	48,886	41,609
Accruals	160,958	237,617	155,328	233,617
Rent free period creditor	109,107	–	109,107	–
Deferred income	179,726	185,696	108,309	29,570
	1,217,631	1,270,044	1,129,654	982,922

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

	Group		Charity	
	£ 2023	£ 2022	£ 2023	£ 2022
Brought forward	185,696	167,680	29,570	99,663
Deferred	179,726	185,696	108,309	29,570
Released	(185,696)	(167,680)	(29,570)	(99,663)
Carried forward	179,726	185,696	108,309	29,570

16. Restricted and unrestricted funds

Group	£ Balance 1 April 2022	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2023
Peer support review	61,914	240,000	(285,247)	–	16,667
Total restricted funds	61,914	240,000	(285,247)	–	16,667
Community Network fund	17,565	–	(60,928)	55,890	12,527
Fixed asset reserve	–	–	–	422,989	422,989
Digital investment reserve	–	–	–	340,000	340,000
Digital boards programme reserve	–	–	–	300,000	300,000
Designated funds	17,565	–	(60,928)	1,118,879	1,075,516
General other unrestricted	3,108,998	9,137,074	(8,461,742)	(1,118,879)	2,665,451
Total unrestricted funds	3,126,563	9,137,074	(8,522,670)	–	3,740,967
Total funds	3,188,477	9,377,074	(8,807,917)	–	3,757,634

Charity	£ Balance 1 April 2022	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2023
Peer support review	61,914	240,000	(285,247)	–	16,667
Total restricted funds	61,914	240,000	(285,247)	–	16,667
Community Network fund	17,565	–	(60,928)	55,890	12,527
Fixed asset reserve	–	–	–	422,989	422,989
Digital investment reserve	–	–	–	340,000	340,000
Digital boards programme reserve	–	–	–	300,000	300,000
Designated funds	17,565	–	(60,928)	1,118,879	1,075,516
General other unrestricted	3,118,473	8,692,000	(8,117,370)	(1,118,879)	2,574,224
Total unrestricted funds	3,136,038	8,692,000	(8,178,298)	–	3,649,740
Total funds	3,197,952	8,932,000	(8,463,545)	–	3,666,407

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

It received restricted funding from NHSE to lead on the project in 22/23 of £240,000 with delivery to continue into the 23/24 financial year.

A designated fund to support Community Network trusts has a £12,527 carried forward balance to provide future support.

A fixed asset reserve designates the current level of investment in fixed assets classed as non-free reserves.

A digital investment reserve ringfences the required investment level in IT infrastructure.

A digital boards programme reserve designates funds to ensure seamless project delivery on digital as a risk mitigation for any time delay in securing income.

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

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

17. Analysis of net assets between funds

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2023	£ Total 2022
Intangible fixed assets	–	2,146	2,146	6,900
Tangible fixed assets	–	420,843	420,843	101,314
Net current assets	16,667	3,317,978	3,334,645	3,080,263
	16,667	3,740,967	3,757,634	3,188,477

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2023	£ Total 2022
Intangible fixed assets	–	2,146	2,146	6,900
Tangible fixed assets	–	420,843	420,843	101,314
Investments	–	1	1	1
Net current assets	16,667	3,226,750	3,243,417	3,089,737
	16,667	3,649,740	3,666,407	3,197,952

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2022
Intangible fixed assets	–	6,900	6,900
Tangible fixed assets	–	101,314	101,314
Net current assets	61,914	3,018,349	3,080,263
	61,914	3,126,563	3,188,477

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2022
Intangible fixed assets	–	6,900	6,900
Tangible fixed assets	–	101,314	101,314
Investments	–	1	1
Net current assets	61,914	3,027,823	3,089,737
	61,914	3,136,038	3,197,952

18. Financial commitments

As of 31 March 2023 the charity was committed to making the following payments under non-cancellable operating leases in the following periods:

	£ 2023	£ 2022
Payable in respect of leases expiring:		
Within the year	150,982	78,077
Between the second and fifth year inclusive	765,544	–
Over five years	837,845	–

19. Liability of members

On 31 March 2023 the charity had 211 (2022: 212) members. The liability of each member to contribute to the assets of the charity is limited to £1.

20. Related party transactions

FTN paid a management charge of £58,334 to its parent charity during the year (2022: £29,168).

At the year-end NHS Providers was owed £132,106 (2022: £266,285) by FTN Trading Limited.

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

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

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

	£ 2023	£ 2022
Net income for the reporting period (as per the statement of financial activities)	569,157	878,630
Add back: depreciation	71,415	126,131
Add back: loss on disposal of asset	12,282	1,506
Deduct interest income shown in investing activities	(25,069)	(1,635)
Decrease/(increase) in debtors	27,584	(321,356)
(Decrease)/increase in creditors	(52,413)	562,481
Net cash inflow from operating activities	602,956	1,245,757

23. Comparative statement of financial activities 2022

	£ Unrestricted funds	£ Restricted funds	£ Total 2022
Income from			
Donations and legacies	–	–	–
Charitable activities	2,318,544	247,500	2,566,044
Subscription income	5,076,441	–	5,076,441
Other trading activities	177,359	–	177,359
Investments	1,635	–	1,635
Total income	7,573,979	247,500	7,821,479
Expenditure on			
Trading activities	157,668	–	157,668
Charitable activities	6,586,095	199,086	6,785,181
Other	–	–	–
Total expenditure	6,743,763	199,086	6,942,849
Net income/(expenditure)	830,216	48,414	878,630
Transfers between funds	–	–	–
Net movement in funds	830,216	48,414	878,630
Total funds brought forward	2,296,347	13,500	2,309,847
Total funds carried forward	3,126,563	61,914	3,188,477

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

NHS Providers has all trusts in England in voluntary membership, collectively accounting for £115bn of annual expenditure and employing 1.4 million people.



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