

**The Hospice Charity  
Partnership**

**Brand Name -**

**Birmingham Hospice**

**Report and Financial Statements**

**Year ended 30 September 2022**

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## Executive Summary

The Trustees present their report and the audited financial statements of The Hospice Charity Partnership (THCP), brand name Birmingham Hospice (BH) for the year ended 30 September 2022. On the 1st of August 2021 a full merger took place between Birmingham St Marys Hospice Limited and John Taylor Hospice which was then renamed as The Hospice Charity Partnership, brand name Birmingham Hospice. All assets and liabilities of St Marys Hospice Limited (company number 01161308, charity number 503456) and St Mary's Hospice (Trading) Limited (company number 02696641) were transferred over to The Hospice Charity Partnership (company number 08991245, charity number 1156964).

2021/22 is the first full year that the merged The Hospice Charity Partnership entity has traded. The Hospice Charity Partnership is the legal entity name which now also has the brand name of Birmingham Hospice. The Charity ended the 2021/22 financial year with a surplus of £469k before investment losses, which is split into £432k unrestricted surplus and £37k restricted surplus.

The Charity currently has unrestricted reserves target of £10.8m which is equivalent to 8 months operational cover. Strategic plans for facilities and estates provision are under development which will also require major capital investment to deliver the refurbishment over the next 10 years.

Over this past year, the charity has achieved an Outstanding CQC rating, completed a successful merger by ensuring policies, processes and controls are aligned and delivered a financial surplus.

## Objectives And Activities

The charity exists for the public benefit: Specifically, the advancement of health, care and support for people living with a palliative or end of life diagnosis and provides specialist palliative and supportive care in Birmingham and the surrounding areas.

A wide range of services are provided free, at the point of use. Care can be delivered in people's own homes or the hospice itself 7 days a week up to 24 hours a day. NHS practitioners in hospital nursing and community settings, housing and social care professionals in residential and community settings make most referrals. Members of the public can also refer themselves directly for hospice services.

**Our Vision:** A future where everyone with a life limiting illness will live & die with dignity and in comfort

**Our Mission:** We will enable more people from all communities to access care of their choice at the end of life

The vision and mission recognise the need to provide inclusive services that reflect the needs of the diverse and changing communities across Birmingham. The long-term strategic goals are set to have a positive impact on the community we serve.

### **Our Hospice Strategy (2022- 2027):** Future hospice care shaped by our communities

1. We will extend our reach to deliver personalised palliative and end of life care when and where it's needed.
2. We will develop evidence to inform how future services can reduce inequality of access to
3. Palliative & end of life care.
4. We will increase our work alongside communities & with our partners to shape palliative & end of Life care services of the future.
5. We will grow our people & resources sustainably, using or assets efficiently to ensure expert palliative and end of life care is made available to more people

### **Our Values**

Following the merger of both hospices all people working across both Hospice sites were involved in defining the new values. These values are Kindness, Togetherness, Positivity, Openness, Respect and Innovation. These values will underpin and shape the organisations culture going forward. These are not corporately defined values; they have been shaped by the people working within The Hospice Charity Partnership, brand name Birmingham Hospice. Each value is realised by all staff championing the behaviours they have outlined thus shaping the culture that people want to hear, see, and feel. This is critical to effective working and delivery of the strategy and the business priorities.

### **Business Priorities**

The implementation of the organisation's strategy over the next 5 years will be built on the following core principles:

- Build** Building the foundations of the new organisation ensuring our infrastructure, systems integration and workforce are stable, adaptable and fit for the future. This will be the focus in the first 18 months of the strategy over 2022 and 2023.
- Grow** We will need to grow our collective understanding of the needs of Birmingham's diverse communities and increase the numbers of hospice supporters and grow sustainable voluntary income.

By talking to communities, this will grow our understanding of the services people want and need in the future, we can then invest in future services effectively. This will require investment in community engagement and targeted research.

While we know the current approach meets the needs of many people, there are groups within our communities that do not access the current specialist palliative and end of life offering. We will work with the wider health system to understand why to inform our future practice.

We will also have a significant focus on new supporter acquisition during 2023 and 2025, this will help build sustainable voluntary income growth. This will be supported by the launch of a significant capital appeal in 2023.

### **Maintaining and Growing statutory income**

Significant focus has been given to maintaining the current level of funding from the NHS which is critical to delivery of essential services. In July 2022 NHS England released statutory guidance for Palliative End of Life Care for Integrated Care Boards. This guide sets out the acceptance that demand for specialist hospice care will continue to increase, working in partnership with the NHS and Local Authorities to secure sustainable funding by 2025/26.

### **Growing & maintaining voluntary income**

Voluntary income is essential to delivery of holistic services that the hospice provides, this includes, bereavement support, day hospice services, family support and complementary therapy. The Hospice buildings and environment could not be maintained without public support and philanthropy. While the future of fundraising income remains unclear due to the current economic climate, the local community have continued to support in many ways. People do want to support their local hospice and there is a continued appetite to get involved. People's ability to do this in traditional ways such as attending fundraisers or taking part in participation events has reduced but not stopped. We will be looking to bring back popular events and create new ones.

Despite the economic conditions, Retail shops have gone from strength to strength. As a result, the hospice will be looking to increase its income and profit through its retail portfolio.

As part of the build programme, we are updating the Charity brand and have developed a new single charity web site which will be updated for the new branding in the near future. These two areas of work will be critical to providing high standards of supporter care and providing a point of contact for either to access services, or wanting to find out more about what we provide.

### **Reach**

Reaching and supporter more people who require specialist end of life and palliative care services is our ultimate goal. We will maintain delivery of our current community and

inpatients services efficiently and to the highest standard. Any increase in investment in the current model of care is likely to come from statutory funding. Future services will need to be adapted to meet the needs of the wider community and may not reflect the traditional model and approach. Therefore we aim to implement any new services from 2025. We will then spend the following two years implementing new services and evaluating their impact. If funds allow we will start this work sooner.

### **Hospice facilities and Environment**

Covid has highlighted and expedited the need for both hospices to have single beds with ensuite facilities, moving to single rooms only will help increase capacity, improve dignity, privacy and create a relaxing, personalised space for patients and families. Both sites require significant refurbishment, an appeal will be launched to raise funds for the refurbishment in 2023. This will have the added benefit of increasing awareness of the hospice and services it provides to the community.

### **Public benefit**

As part of the merger process, the Trustees reviewed the objects of the charity and agreed revised objects as set out in the Articles of Association.

The Charity's objects are specifically restricted to promote the relief of illness or suffering by:

- 5.1:** The expert care and support of people with palliative and end of life needs;
- 5.2:** The provision of services to promote health and wellbeing for patients and carers;
- 5.3:** The care and support of family and friends who have been bereaved;
- 5.4:** The advancement of education and healthcare practice to raise awareness of potentially life limiting illness; and
- 5.5:** The advancement of high quality palliative and end of life care through the community.

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

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

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

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objects and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

## Achievements And Performance

At THCP/BH we provide services for people living with life-limiting illnesses and their families, loved ones and carers across the diverse population of Birmingham, Solihull and Sandwell constituencies.

We offer expert care and support both at home and within the community, as well as through inpatient and day services at our Hospice. With a welcoming and inclusive approach, we are there from the moment of diagnosis to the very end of life and beyond, offering bereavement support for loved ones of all ages for as long as they need it after someone dies.

As a teaching and research charity, we use our expertise to train other healthcare professionals in palliative and end of life care and to improve and develop care services for the future.

We joined forces with other local hospices to establish HoBS (Hospices of Birmingham and Solihull) enabling more people to get the care they need as quickly as possible. This approach was so successful that it will continue going forward.

As part of this work the hospice has been working on a pilot programme with its main CCG funder regarding the use of personal health budgets for end-of-life care. The PHB service up until September 2022 has seen 427 patients saving 21,819 activity contacts across which would have cost the system £652k.

Equality Diversity and inclusion action plans were in place at both hospices prior to merger. The focus for 2023 will see the hospice develop a combined plan that will deliver our priorities within the People Strategy and work toward accreditation via the National Centre for Diversity. We have also now established a new ED&I group was launched in January 2022. This will be a yearlong programme of assessment which highlights areas of success and areas for development in relation to equality and diversity, In addition we plan to hire 2 dedicated roles that will focus on moving or internal and external Equality Diversity and Inclusion plans forward.

Other areas of the strategy ensure the needs of all patients can continue to be met by increasing income from fundraising activities and development of the retail venture. We continue to develop our event and community campaigns calendar. Corporate support was severally impacted by the Covid restrictions with office based fundraising and Charity of the

Year opportunities limited. However, Grants & Trust income was strong and we benefitted from continued support from many generous trust funders. The retail chain performed well once all shops were able to reopen. Strong performance continued up until year end. There have been no shop closures and we continue to research opportunities in our locality for new shop premises and grow our online retail presence.

The achievements in the year have been focussed on:

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

The hospice considers patient safety and quality to be the highest priority. A significant amount of work has already been undertaken to align systems and practice across both sites. These new systems include vantage which offers a new incident reporting and risk modules. These new modules enable better monitoring and management of across all sites inclusive of all services.

Key performance indicators for the Quality Clinical Governance Committee, the Finance, Performance and Estates Committee and the People Committee have been developed and implemented, these feed into the balanced scorecard which is reported to the Board of Trustees.

The Board has a subcommittee for clinical quality known as the Quality Governance Committee (QGC) and this has a working group, the Clinical Governance Committee (CGC). The Health and Safety Committee reports to the Finance, Performance & Estates committee. QGC reports to the Board to give assurance on clinical risk and quality and clinical safety measures include safe staffing levels, complaints and compliments.

The board also has a subcommittee (Audit and Assurance Committee) which has been established to critically review the governance and assurance processes upon which the Board of Trustees places reliance, ensuring that the organisation operates effectively and meets its strategic objectives.



Corporate safety measures include housekeeping cleanliness audits, staff training records. In addition, robust systems are in place for reviewing and implementing relevant National Institute for Health and Care Excellence (NICE) guidance and addressing Clinical Assessment Service (CAS) alerts.

The last Care Quality Commission regulation assessments were carried out pre-merger.

Birmingham St. Mary's Hospice was assessed on the 17th December 2019 and the overall rating for the service was rated as 'Good'. The CQC inspection provided a further rating for each of the 5 domains or questions that they assessed and the hospice was rated 'Good' in every category. The hospice is currently awaiting a routine inspection of its services since the transfer of the regulation of hospices to healthcare, however this has been delayed due to the COVID-19 pandemic. During this time however the hospice is subject to regular risk based virtual assessments on quality from CQC colleagues.

John Taylor Hospice was assessed on the 30th of March 2022 and the overall rating for the service was rated as 'Outstanding'. The CQC inspection provided a further rating for each of the 5 domains or questions that they assessed and the hospice was rated 'Outstanding' in 3 categories and 'Good' in two categories.

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

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

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

## Working Partnerships

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

During the year, 1 October 2021 to 30 September 2022, the hospice cared for 1,651 patients (Erdington site) 2,248 (Selly Park), as well as providing support for these patients' families. That care was provided by the charity's Inpatient Units, its day hospices and in the

community. The organisation also provided wellbeing support to both patients and family members.

The charity has a number of close working relationships in the local community including Birmingham and Solihull Clinical Commissioning Group/Integrated Care Board, Sandwell and West Birmingham Hospitals, with whom it has NHS contracts. In addition, close working arrangements are in place with local primary care in North, East and West Birmingham including general practice, Birmingham Community Healthcare NHS Foundation Trust, University Hospitals Birmingham NHS Foundation Trust, Birmingham City Council and a number of local hospices including St Giles' Hospice and Marie Curie Hospice Solihull. In these forums, it works closely with colleagues in the acute health sector and other hospices to develop end of life care across the city and prevent unnecessary hospital admissions for this group of patients. In addition, it takes referrals, where appropriate, from outside the catchment area on a cost per case basis.

A new service named Hospices of Birmingham and Solihull (HoBS) provided 24/7 access to specialist palliative care advice, joint bed management across the hospices, improving access, and also a rapid response service to manage crises in the community in order to prevent hospital admissions and improve patients' abilities to meet their preferred place of care, and death. This service was possible due to the redirection of existing resources but is not sustainable long term without additional external funding. A joint business case on behalf of the partnership was submitted in 21/22 and agreement was given to fund the services from 8am – 8 pm, further data and analysis is being carried out across the health system to test the case for a 24/7 service.

The charity continues to be part of the ongoing work around the Birmingham and Solihull Integrated Care System (ICS) which seeks to close gaps in health inequality, quality and care and funding going forward to meet demand. For example, in Birmingham there remains a 9 year gap in life expectancy between the most affluent and the most deprived populations. The Birmingham and Solihull ICS is split into a number of work streams with End of Life Care sitting in the Ageing Well work stream.

The Black Country Integrated Care Board continues to commission an overarching contract for End of Life Care from Sandwell and West Birmingham Hospitals and THCP/BH remains a sub-contractor of this Connected Palliative Care Contract. The contract supports a hub for end of life care co-ordination, for patients and their families as well as health professionals. Focussing on the populations of Sandwell and West Birmingham, the centre aims to bring together care providers to offer seamless end of life support.

## Activity 2021/22

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

### Erdington Site

Bed Days	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Available Bed Days	496	480	496	496	448	496	330	341	330	341	341	330	410.4
Bed Days Occupied	318	277	288	242	314	294	247	342	300	291	305	277	291.3
Admissions	25	18	12	23	19	20	17	22	25	20	20	17	19.8
Average Length of Stay	13	15	24	11	17	15	15	16	12	15	15	16	15.2
Discharges	6	8	5	6	9	9	8	9	8	6	8	13	7.9
Deaths	19	10	7	17	10	11	9	13	17	14	12	4	11.9

Living Well Centre	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	6	9	6	2	10	24	15	22	11	10	23	15	12.8
Attendances	90	75	80	61	60	50	62	84	85	72	90	92	75.1

Wellbeing	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	18	36	14	22	27	26	24	24	25	43	21	19	24.9
Attendances	257	159	234	196	128	102	126	83	133	139	169	103	152.4

Hospice @ Home	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	18	19	11	23	17	15	14	13	20	20	21	14	17.1
Attendances	496	523	468	459	260	619	478	561	358	303	423	489	453.1

Community	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	116	93	70	82	86	111	80	85	94	88	90	84	89.9
Attendances	2046	1935	1815	1726	1733	1811	1493	1537	1495	1297	1364	1313	1630.4

Therapies	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	103	77	79	82	109	104	90	94	87	77	89	85	89.7
Attendances	512	387	377	386	386	509	551	527	465	576	575	525	481.3

Overall	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	261	234	180	211	249	280	223	238	237	238	244	217	234.3
Attendances	3401	3079	2974	2828	2567	3091	2710	2792	2536	2387	2621	2522	2792.3

Total number of patients seen by Erdington site from October 2021 to September 2022	1651
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## Selly Park Site

Bed Days	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Available Bed Days	372	360	372	372	336	372	360	372	360	372	372	360	365.0
Bed Days Occupied	343	325	317	369	293	353	337	352	320	301	341	297	329.0
Admissions	26	27	22	29	19	22	27	15	27	23	22	28	23.9
Average Length of Stay	13	12	14	13	15	16	12	23	12	13	16	11	14.2
Discharges	8	8	9	9	4	3	10	12	20	16	13	16	10.7
Deaths	18	19	13	20	15	19	17	3	7	7	9	12	13.3

Day Hospice	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	16	10	13	11	13	15	12	13	17	18	16	22	14.7
Attendances	49	78	57	29	37	48	65	78	88	94	90	96	67.4

Wellbeing	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	34	37	26	45	32	55	38	52	35	24	38	31	37.3
Attendances	719	757	590	600	595	659	563	739	708	559	647	629	647.1

Hospice @ Home	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	36	28	26	13	17	12	9	8	11	19	22	15	18.0
Attendances	83	103	69	37	49	32	47	20	30	195	235	259	96.6

Community	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	114	136	115	104	121	152	108	111	104	102	91	106	113.7
Attendances	940	1075	1200	1154	1121	1340	1364	1349	1326	1313	1365	1307	1237.8

Therapies	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	47	60	51	45	48	63	54	60	60	53	66	70	56.4
Attendances	69	68	132	105	92	113	109	135	133	141	190	154	120.1

Overall	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Average
Total Referrals	247	271	231	218	231	297	221	244	227	216	233	244	240.0
Attendances	1860	2081	2048	1925	1894	2192	2148	2321	2285	2302	2527	2445	2169.0

Total number of patients seen by Selly park Site from October 2021 to September 2022	2248
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THCP/BH currently employs 371 headcount of staff with 651 volunteers.

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

Our people are engaged by various methods including regular CEO updates, Monthly 'Buzz' Newsletter and regular team meetings. OMT (Operational Management Team) which is our Executive Management Team, and their department Leads that meet monthly face to face. All people have also been engaged in helping to formulate our new combined values. We

also have an Internal Communication and Engagement role to ensure we have regularity of communications.

Our approach is to run to a full annual engagement survey later in 2022. In the interim we have also introduced a People Newsletter and a suggestions box at each location, and we ensure we monitor engagement and suggestion responses and deliver actions as timely as possible.

During the financial year 2021/22, 651 volunteers made regular commitments to support THCP/BH. These roles included day hospice hosts, drivers, photography, fundraising, gardening and finance.

### **Providing a better experience at end of life**

As our numbers continue to grow, we are still delivering the highest quality care. Feedback from patients and carers has remained consistently positive throughout the year.

97% (Erdington) and 100% (Selly Park) of patients/carers said they were likely or extremely likely to recommend the hospice to friends and family if they needed similar care.

With figures for Birmingham showing that 55% of deaths occur in hospital when it is known that people would prefer to die at home<sup>1</sup>, we have striven to provide more people with more choice as they approach the end of life. Only 9% of our patients in 2021/22 died in hospital, with the majority (66%) dying in their usual place of residence and the remainder in the hospice or elsewhere.

During 2021/22, 89% of our patients were able to die in the place of their choosing

We have continued to help people live well with their condition through self-help programmes, extending our reach to engage more patients with a non-cancer diagnosis.

The team have worked hard to continue to offer a rapid response service 8am – 8.30pm 7 days a week and this continues to reduce admission to hospital and provides invaluable support to west midlands ambulance service. There is a dedicated phone line for support for other healthcare professionals and both sites are able to accept admissions to the wards 24/7 if necessary.

### **Expanding our specialist centre of research and learning**

Over the past year we continued our commitment to lead and participate in research, establishing new evidence about the approaches that work best for patients. We are grateful to our patients for generously giving their time to research. All projects add value to our care and improve quality of life for patients with life-limiting illness.

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<sup>1</sup> Analysis of future end of life needs in Birmingham, Sandwell & Solihull: Midlands and Lancashire Commissioning Support Unit (2017)

We were involved in recruiting to several national portfolio studies in the early part of 2020 including Prosec 3 'A multi-centre evaluation of excessive saliva management in patients with motor neurone disease'

Although many national research studies were paused or delayed thereafter and one research nurse was redeployed into clinical practice as a result of the Covid-19 pandemic, we continued to support research activities such as:

- Supervising physiotherapy undergraduates undertaking dissertation projects
- Supporting MSc dissertation projects being undertaken by hospice clinical staff
- Facilitating recruitment for PhD research studies focused on palliative and end of life care

Despite clinical pressures our teams did well to support recruitment into a study exploring the impact of covid on hospices (ICOH, John MacArtney et al)

We also had poster and oral presentations accepted for the Palliative Care Congress which took place in March 2021. Our Homelessness support team presented their innovative work on the main Conference stage

We took the opportunity to refresh the St Mary's research strategy and in Oct 2020 the St Mary's Board of Trustees approved a new set of priorities for 2020–2023. These were used to inform the development of the new Hospice Charity Partnership clinical strategy, during post-merger integration, from August 21

As a teaching hospice, we provide education programmes to health and social care professionals in the wide network of care providers with whom we work. This includes GPs and District Nurses, prison services, care homes, hospitals, community and mental health services.

Whilst the restrictions in place through 2020/21 meant face-to-face delivery of programmes ceased, we responded by rapidly escalating our digital provision.

To support the system-wide response to Covid-19, we were commissioned by Birmingham and Solihull clinical commissioning group (CCG) to provide a series of webinars on topics related to palliative and end of life care. These proved very successful with significantly elevated numbers of professionals accessing our education support. The CCG have recommissioned this programme into 21/22. We are also now commissioned for specialist palliative care, bereavement and SAGE and THYME ® communication training by various other system partners across, Birmingham and the Black Country.

We have continued as a regional centre for the European Certificate in Essential Palliative Care (distance learning). Online examination days have proved successful and have potentially increased scope for the number of candidates we can support.

We worked with Aston University Medical School to develop a 4th year medical undergraduate training programme in Palliative Medicine for their first cohort of 4th years starting in the academic year 21/22. We will deliver this in partnership with Marie Curie



Hospice West Midlands and the Supportive and Palliative Care team at University Hospitals of Birmingham NHS Foundation Trust.

This is in addition to the long standing programme of 4th year education delivered to University of Birmingham students, alongside other Midlands Palliative Care colleagues

### **Being an employer and volunteering centre of choice**

In the past year we have introduced a number of new schemes and programmes to improve working conditions and support the wellbeing of our employees and volunteers.

Last year we employed 371 headcount of staff, while 651 volunteers donated their time to support our work.

The Hospices HR and Payroll systems uses CONNECT system. Functionality in CONNECT will continue to be developed over the year to streamline processes and reduce administration through automation of workflows. We have also developed and tested the recruitment and on boarding module on the system to reduce paperwork and enhance the applicant experience.

People Dashboards and KPI reports have been developed to provide key data to the operational teams and for the People Committee to review performance.

The physical and emotional burden on our keyworker staff has continued to be significant through 2021/22. To help support the needs of all staff during a challenging year we introduced an enhanced Employee Assistance Programme. We reviewed and reconfigured clinical supervision to benefit more of our workforce. During Mental Health Awareness Week we introduced virtual Tea & Talk sessions as a way of encouraging social contact for those working from home. Throughout the year we raised awareness of our network of Mental Health First Aiders, and signposted the emotional support provision for all employees available through the Birmingham Hospitals Saturday Fund.

We have remained focussed on filling our vacancies and held 2 successful recruitment events at a weekend which resulted in 14 job offers. We plan to run further recruitment events in 2022 alongside launching other attraction methods such as LinkedIn.

We reviewed the pay scales in place at both hospices and launched new Hospice Charity Partnership scales, matching the Clinical scale to Agenda for Change 21/22.

We have continued to promote and encourage younger people to work at the Hospice through apprenticeships and the government Kickstart Scheme.

We have remained committed this year to education and professional development, regularly supporting both nursing and medical students as well as pre-registration nurses. To support management development, our first cohort of managers completed a coaching course.

## Our services

The hospices have a wide range of services including integrated health and social care at home, day care provision, pharmacy, occupational therapy, physiotherapy, outpatient clinics, hospice at home services, education, complementary therapy, carer support, psychological therapy and two inpatient units (one at the Erdington site & one at the Selly Park site), which operate for 365 days per year.

### Inpatient Care

The Inpatient Unit at each of our hospices provides specialist palliative care, including symptom control, end of life care and advice and support by a team of doctors, nurses and therapists. On both sites, families can stay with their loved ones in a calm and comfortable environment. Referrals are taken from healthcare professionals and prioritised according to clinical need.

Holistic care is planned to address the physical, psychological, social and spiritual needs of the patients, with respect for culture, religious and personal values. Personal choice is central to the ethos of care and decisions are made by the individual, in collaboration with the team. Our care is delivered without judgement, and we respect and uphold every individual's privacy and dignity.

The Selly Park site comprises 16 beds including 14 specialist beds and two 'home from home' beds. The Erdington site comprises 16 beds including 14 specialist beds and two 'home from home'. The need to keep patients isolated remains due to infection prevention this has reduced bed capacity on both sites to 12 single occupancy areas. The complexity of patients has increased and the delays in accessing treatment within the NHS due to the pressures of Covid have led to some distressing cases being admitted every month. Extra wellbeing and clinical supervision support has been available to staff.

Patients and visitors have access to the garden on both sites and at the Selly Park site, a larger main conservatory has been specially redesigned for those patients in our care who have dementia. For instance, we have improved signage to create a comforting and familiar environment to reduce anxiety, and to improve social interaction.

In 2021/22 there were 238 (Erdington) and 287 (Selly Park) admissions to our Inpatient Units, including patients who may have been admitted more than once. Our bed occupancy rate for specialist beds was 90% for Selly Park and 71% for Erdington.



## **Integrated Community Palliative Care**

The Integrated Community Palliative Care Team consists of Clinical Nurse Specialists, Hospice at Home, our satellite clinics and our Day Hospice. The team supports individuals and families at home (including in care homes, prisons and hostels) and elsewhere in their community, providing advice and guidance on symptom management and advance care planning, as well as responding to other spiritual, psychosocial and care needs.

### **Clinical Nurse Specialists**

The team has adopted new ways of working during the Covid-19 pandemic, including collaborating with other hospices under the umbrella of HoBS (Hospices of Birmingham and Solihull). These are now part of the normal business of the hospices.

Outside of office hours, patients known to the Hospice can access telephone advice from our team of specialist nurses.

We offer round-the-clock specialist medical advice and telephone support for any healthcare professional caring for individuals with palliative care needs within our area.

The team made a total of 19,565 (Erdington) and 14,854 (Selly Park) contacts with patients during 2021/22.

A total of 1,079 (Erdington) and 1,364 (Selly Park) community referrals were received.

### **Hospice at Home**

Our Hospice at Home team provides nursing care and psychological support to patients who have expressed wishes to die at home and require additional support to achieve this. Care is delivered by registered nurses and healthcare assistants in the patient's own home.

The Hospice at Home team works closely with our Clinical Nurse Specialists, supporting patients and families with telephone contact and responding to urgent need. They also offer 'bridging care' after discharge from hospice or hospital for people with palliative care needs who are awaiting a package of social care to be put in place.

A total of 205 (Erdington) and 216 (Selly Park) Hospice at Home referrals were received.

### **Day Services**

The Day Hospice services saw 901 (Erdington), 809 (Selly Park) contacts and 153 (Erdington), 176 (Selly Park) referrals.

The future plan is to offer a hybrid model of delivery, where patients have a choice to access face-to-face care or engage virtually.

## Therapeutic Care

We offer physiotherapy, occupational therapy and complementary therapies to people on the wards in the Hospices, in our Day Hospices and within the local community, to support emotional and physical wellbeing and promote independence.

## Well Being Team

The Well Being Team, consist of social workers and spiritual care workers, provides practical advice and specialist counselling, spiritual and psychosocial support to patients, carers and family members, including children.

The Spiritual Care Service has seen changes this year with the recruitment of a new Spiritual Care Coordinator, who will lead a team of volunteers in supporting people of all faiths and none.

## Support at Home

The aim of Support at Home is to reduce the growing number of people who face social isolation when dealing with a life-limiting illness. Led and delivered by volunteers, Support at Home offers befriending, sitting and signposting for patients with life-limiting illnesses who require non-clinical services and who have expressed a wish to die at home.

Support at Home volunteers have remained committed to engaging with patients and families by telephone. For some individuals who were facing the isolation of lockdown, this was invaluable.

## Bereavement Support Services

The Bereavement Support Service offers a range of information, facilitated support groups, one-to-one bereavement support and counselling, and is delivered by professional counsellors as well as highly skilled volunteers trained in supporting people in grief.

Our specialist Child Bereavement Service, funded by Children in Need, supports children and young people dealing with the loss of a loved one. A pre-bereavement family memory-making programme developed by the team has been very successful.

## Education

As a teaching Hospice, we deliver education in palliative and end of life care to students and professionals from different sectors, as well as offering a broad range of accredited training courses. Trainee doctors and nurses form part of our clinical teams.

We continued in education delivery with similar income compared to previous years. Introduction of collaborative working across local hospices, commissioning and a mixed delivery method approach has increased our reach.

The collaboration with Birmingham Community Healthcare NHS trust continues, with delivery of training to community staff across Birmingham and Solihull. Following a tender process, the Hospice Education Department also became the preferred provider of end of life and palliative care education to the Black Country & West Birmingham STP, where we now deliver a virtual training programme.

## Research

Research is a vital part of the work we do. We work with researchers at universities and in other healthcare settings and are actively involved in recruiting patients, carers, staff and volunteers for new research projects. The research we do continually improves the care and support we provide and helps advance palliative and end of life care for the future. Our achievements in 2021/22 are described on page 12.

## Community development and partnerships

Last year we worked with partners across our STP (Sustainability and Transformation Partnership) on a proposal to achieve Compassionate Cities Status in Birmingham. We launched the first Compassionate Communities Programme in Selly Oak Neighbourhood Network in Partnership with Birmingham Voluntary Service Council.

Our Homelessness Support Service launched in September 2020 and has seen and supported direct referrals as well as supporting the development of a palliative care meeting with the homelessness primary care team. This approach has now been integrated into the core service.

## The year ahead

The next financial year has been extended to 18 months to cover 1st October 2022-31st March 2024.

Our main business priorities for the next period are:

- To identify and agree estates capital projects, prioritise those identified capital projects via weighting those against strategic objectives, and to identify funding. Capital priorities are to improve Access, Sustainability and Quality for stakeholders.
- To identify and agree long term 2025-2033 estates capital projects, prioritise those identified capital projects via weighting those against strategic objectives. To identify and prioritise long-term estates capital plans in line with wider system forecasted Inpatient and community requirements.

- The contract framework/strategy will set out the way in which contracts and partnership agreements will set out the roles and responsibilities of providers, the funding split including risk share agreement and how service pathways will be integrated for PEOLC.
- ED&I & Wellbeing - Continue to develop specific plans for EDI and people wellbeing across the organisation ensuring inclusivity and wellbeing embedded in core activity.
- Ensure THCP/BH is spearheading PEoLC across the region – scope the development of the 'Cultural Blueprint of Care' The blueprint will provide guidance to health and social care professionals on how to deliver inclusive, culturally appropriate end of life care.

## Volunteers

As a volunteer-supported organisation, our volunteers are at the heart of our operation, including our Trustees who support the governance and leadership of our organisation. We could not deliver our work free of charge without the generous donation of time from over 651 individuals. We are also fortunate to have Patrons who champion the work of the charity and would like to thank them for their ongoing support.

People volunteer for many reasons and the benefits are wide-ranging: from the feeling of making a difference to people with life-limiting illness, to joining a team and making new friends, or learning new skills and gaining valuable career experience. Volunteers are supported and involved in inductions, briefings and special thank you events each summer.

We have four fundraising groups including the Kings Norton group, the Hospice Choir, the Edgbaston Ladies Committee and the Craft Fundraising Group, all of whom were back up and running with some great fundraising activities for the hospice and raised over £8,000, this included £5,105 raised from the Christmas ladies luncheon.

This year we had the support of three Collection Box Coordinators who processed 637 collection tins, raising £15,532 from various locations in Birmingham and Sandwell.

Our successful Big Brum Bucket campaign was back with a bang in July 2022 and raised £1,564.

We received the continued support from five Hospice Ambassadors who give up their time to support corporate fundraising activities and raise awareness of the charity within the community.

192 Retail Volunteers have given 43,957 hours of their time supporting our chain of 20 charity shops.

## Our approach to fundraising

As a charity that relies on voluntary income, we take an active and responsible approach to fundraising. A high-quality supporter experience is key and as a member of the Fundraising Regulator we are firmly committed to ensuring we are compliant with their Code of Practice.

We endeavour to operate in a transparent and open manner as well as to protect members of our community and supporters who may be vulnerable. To support this, the following fundraising policies are in place and regularly reviewed:

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

Our fundraising activity is carefully planned using set templates to ascertain campaign feasibility, plan income and expenditure budgets, logistics and health and safety requirements. All supporter data stored on Donorflex (our fundraising database) and is governed by strict consent, unsubscribe and complaints processes in line with UK GDPR legislation. Oversight of these processes is carried out by an internal committee of staff, ensuring we keep up to date with new legislation and act appropriately on supporter feedback. We have a dedicated Supporter Experience & Finance Processing Manager whose role, led by the Head of Fundraising Partnerships & Supporter Experience, is to ensure that on a day-to-day basis we deliver a gold standard experience for all supporters and that any updates in UK GDPR or fundraising legislation is fed back to the team at monthly team meetings.

All of our events are risk assessed and covered by professional insurers whom we work closely with to ensure our supporters are properly protected when registering and taking part in our events and community activities. All necessary venue permissions, temporary event notices, collection and music licenses, supplier public indemnity insurance and hygiene qualifications are secured for every event hosted at external premises.

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

Oversight of all fundraising activity carried out by the charity is the responsibility of the Trustees, Executive Team and specifically the Income Generation Director. All of whom receive monthly and quarterly reports on activity, complaints and new developments.

## Ensuring excellent fundraising customer service

The charity is committed to providing an excellent service to supporters, but we recognise that as campaigns and supporter numbers grow, occasionally things do not go according to plan. With this in mind, we encourage complaints and feedback to help shape the ongoing development of our activity and the way in which we work with our supporters.

During 2021/22 the charity received six complaints relating to fundraising: one via email, one via letter, and four via telephone. The nature of the complaints were as follows:

1. A supporter rang to complain that they had received a duplicate mailing from the charity. An apology letter was sent and Donorflex updated to remove the duplicate record.
2. A Trust funder received an application from the charity that included 130 pages, the funder complained that this was too much documentation. An apology letter was sent and the application process reviewed to ensure no unnecessary papers are submitted to the funder in the future.
3. A supporter didn't receive the Light up a Life card and was missed from the Book of Remembrance. An apology call was made and the issue was resolved.
4. A supporter was unhappy that their cheque was returned to them asking for it to be made out to THCP/BH and they were not informed of the merger. An apology was made but the supporter wished to be removed from the database, this was actioned with immediate effect.
5. A trust funder thank you letter had the incorrect donation amount stated. An apology was made and training given to the relevant team member.
6. A supporter received a mailing to their deceased husband. All correct procedures had been followed, unfortunately the mailing had been sent just before the person had deceased. Donorflex was updated to ensure no further mailings would be sent.

An internal investigation took place after each complaint, with the outcomes fed back to the complainants in a positive manner with the offer of further discussion. All complainants were satisfied with the responses given and the outcome of their complaint.

## Ongoing evaluation

Complaints and feedback help us to monitor the effectiveness of our fundraising activities and we actively review and analyse the complaints we receive in order to recognise trends and take appropriate action at an early stage. Once resolution of the complaint is achieved, learning outcomes are identified and publicised to improve the quality of the service provided, improve relationships with service users, customers and supporters and promote best practice with staff. Should the complainant not be satisfied with the response from the Hospice, we refer them to the Fundraising Regulator for independent adjudication.

The Fundraising Team share and review all feedback received and present this information in a post campaign evaluation report. We respect and value every one of our supporters and

strive to learn from each comment and amend our processes where possible, in an endeavour to provide the highest quality service. During the year, we worked hard to ensure that we were communicating with our supporters appropriately and thanking them in a timely manner for their kind donations.

## Structure, Governance and Management

Birmingham St Mary's Hospice and John Taylor Hospice progressed through to a full merger on 1st August 2021. John Taylor Hospice was then renamed as The Hospice Charity Partnership, brand name Birmingham Hospice. All assets and liabilities of St Marys Hospice Limited (company number 01161308, charity number 503456) and St Mary's Hospice (Trading) Limited (company number 02696641) were transferred over to John Taylor Hospice.

Reference and administrative information set out on page 30 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

### The Articles of Association

The Articles of Association is the governing document that sets out rules and requirements relating to Association Members; terms of office and election of Trustees and Honorary Officers; disqualification of Trustees; and proceedings of the Board.

### Board of Trustees

The Board of Trustees (the Board) is the governing body of the Charity. The purpose of the Board is to agree the strategic direction of the Charity and to ensure the organisation delivers on its plans and objectives as set out in the governing documents. The Board is accountable for the organisation's compliance with regulation and legislation as well as ensuring that the values, ethos and reputation of the Hospice are upheld.

The Board also supports the Chief Executive and Executive Team in carrying out their executive responsibilities and holds them to account for their delegated responsibility for the strategic and operational leadership and management of the Hospice. There is a clear understanding of the distinction between Governance and Management.

The Trustees have delegated day-to-day management of the charity to the Executive Management Team as outlined on page 30 in this report. These personnel have delegated authority to make decisions on behalf of the charity. Formal meetings of the Executive Management Team are held on a monthly basis. and a number of other committees form



part of the decision-making structure for recommendations to the Board of Trustees or its subcommittees. These include an Information Governance Committee, Clinical Governance Committee and Health and Safety Committee.

There can be up to 16 Trustees on the Hospice Board (with a quorum of four). The Board holds ultimate responsibility for the employment of all Hospice staff who are employees of the Hospice. The Board meets at least four times a year with additional ad hoc meetings held as and when required.

The Board is the final decision-making body for new policy, strategic planning and approval of financial budgets. The Board is also responsible for monitoring the implementation of the strategy and financial activity.

The Hospice Chief Executive and Executive Directors attend Board meetings. Trustee and Director Indemnity insurance with a limit of indemnity of £2 million.

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

### **Appointment of Trustees**

Appointment of Hospice Trustees is by decision of the Board of Trustees, who have the power to appoint any person who is able and willing to fulfil the role. Members of the Board shall hold office for a fixed term of three years from the date of their appointment.

Members of the Board are eligible for re-appointment for one further terms of three years each but having served their maximum term of office of six consecutive years may be eligible to serve for an additional year with the agreement of the whole Board.

Trustees are appointed following a recruitment process which may include advertisement or a recruitment event. An expression of interest form and Curriculum Vitae is requested followed by interview with an Appointments Panel of Trustees and Executive Directors. The panel will normally include the Chairman and Chief Executive. References are taken and appropriate suitability checks are made prior to appointment, as Trustees may be given power of inspection.

The role of Chair is for up to two terms of three years. This also follows a recruitment process supported by succession plan and/or advertisement and search. This includes interview with an Appointments Panel of Trustees and Executive Directors.

None of the trustees receive any employment benefits in relation to their role as trustees of the charity. The salaries of the Directors (Executive Management Team) of the company are set by the Chair of the Board, CEO as per the remuneration terms of reference.



## Induction and training of Trustees

New trustees receive induction to the charity that includes details of their legal obligations under charity and company law, the content of the Articles of Association, the work of the hospice and the Board of Trustees. Trustees have a bespoke induction programme put in place and are involved in staff mix and mingle sessions and visits to the hospice and within the community to speak with staff and triangulate evidence provided to them at board and subcommittee meetings. Trustees are encouraged to participate in Trustee 'walkabout' visits.

Trustees are also invited to attend a range of educational sessions including Hospice UK events, giving further opportunities for development. An annual Away Day of Trustees and Executive Directors also takes place, with a focus on the strategic direction of the Charity.

## Meetings of Trustees

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

The Board has five subcommittees.

- Audit and Assurance Committee
- Quality Governance Committee
- Finance, Performance and Estates Committee and
- People Committee
- Remuneration Committee

All of which are all chaired by trustees and have senior management members in attendance. The Audit and Assurance Committee, Quality Governance, Finance, Performance and Estates Committee and People Committees meet quarterly before the Board meetings. The Chair of the board and CEO meet as required to agree remuneration at the remuneration committee as per the terms of reference..

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

## Strategic leadership and governance framework

The Trustees have overall legal responsibility for administering The Hospice Charity Partnership (Brand name Birmingham Hospice). The Trustees are responsible for holding the CEO and Senior Management Team to account, for ensuring that the hospice is managed efficiently and effectively and that the highest standards of care are provided. They are responsible for ensuring adequate accounting records are kept that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial

statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the maintenance and integrity of the corporate and financial information included on the company's website.

The Chief Executive is responsible for the leadership of the Charity, which involves assisting the Board in determining the strategic vision and plans for the organisation, and for ensuring effective achievement of those plans. The Chief Executive and Executive Team also ensure that Trustees are actively engaged in exercising their accountabilities and assure effective and transparent governance across the whole organisation. This is provided through a leadership and governance framework of which there is a core leadership and governance structure.

## Leadership

The Executive Director Team comprises:

- Chief Executive
- Medical Director
- Clinical Services Director
- Finance & IT Director
- Income Generation Director
- Director of People

Meeting monthly, this team is engaged at looking at the wider strategic implications of changes that affect the charity sector and the operational environment. Executive Directors have powers to make decisions within the approved budget, operational plan and Hospice policies and procedures, including standing financial instructions which set out delegated authority for financial decisions. Finance, Performance and Estates Committee, People Committee, Quality Governance Committee and Audit & Assurance Committee (within given limits) or Board authority is required for investment or service changes outside these parameters.

The Executive Directors have specific responsibilities within the grievance and disciplinary procedures.

## Governance

The meetings identified above (within Meetings of Trustees) meet quarterly between Board Meetings and have specific delegated decision-making authority from the Board and also makes recommendations to the Board.

## Governance Committees

The Executive Team is responsible for management and assurance of quality and risk through four additional Governance Committees. These aim to ensure that courses of action are taken to minimise, and remedy identified risk and poor performance, and that systems are in place to share good practice and continually improve the quality of care, clinical effectiveness, and leadership across the Hospice.

Governance Committees have delegated responsibility to approve policies which are then recommended to the Board for ratification. Each committee meets at least once a quarter.

The Governance Committees are:

- Clinical Governance (reports to Quality Governance Committee)
- EMT Finance (reports to Finance, Performance & Estates Committee)
- Information Governance (reports to Audit & Assurance Committee)
- Health & Safety (reports to Finance, Performance & Estates Committee)

## **Providing an open and honest culture**

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

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

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

## **The Charity Governance Code**

The Hospice meets the outcomes of the Charity Governance Code and adheres to the seven principles as follows:

### Organisational purpose

The Board is clear about the organisation's aims and objectives, ensuring decisions taken at board level are aligned with these aims. The organisation's aims and objectives are detailed in this report (see pages 3–4) and reviewed at Board away days every year.

### Leadership

The Board is responsible for the strategic direction of the Hospice, ensuring the organisation delivers on its plans and objectives as set out in the governing documents through governance committees, board meetings and through regular Trustee walkabouts.

The objectives are embedded in the organisation, forming part of recruitment and appraisal systems. The Board also ensures the appropriate arrangements are in place for the recruitment and management of volunteers with a volunteer manager in place and strong links to the workforce department.

The Chief Executive and Executive Team also ensure Trustees actively exercise their accountabilities through transparent governance across the whole organisation.

### Integrity

The Board works to the Nolan Principles of Public Life and has in place registers of interests and a hospitality and gifts register which are shared with the Audit & Assurance Committee on a regular basis.

### Decision making risk and control

The Board has sound systems of delegation in place with oversight being given by the Governance Committees. Risk is monitored through regular review of the strategic/organisational risk registers at both committee level and board. The Board publishes a statement of governance each year via the annual accounts and trustee statement in line with the Strategic Leadership and Governance Framework which outlines its risk systems and internal controls.

The Audit and Assurance Committee has been established to critically review the governance and assurance processes upon which the Board of Trustees places reliance, ensuring the manner in which the Charity's management ensures and monitors the

adequacy of financial, operational and compliance internal controls and risk management processes designed to manage significant risk exposures.

### Board effectiveness

Trustees are recruited specifically to bring a range of professional proficiency and sector backgrounds to the Board, in order to fill identified skill and expertise gaps. Trustees undergo regular training and development and all serve set terms of office. The Board meets on a regular basis and has clear work plans and action logs in place. Skills analyses take place to determine the correct skill mix for the trustees which informs recruitment and regular appraisals are in place. All trustees have set terms of office and an induction process is in place for all new trustees. The chairman requests reflections from all Board members at the end of each meeting.

### Diversity

The Board's approach to diversity supports its effectiveness, leadership and decision-making. The Board understands its responsibilities in this area, reviewing skills, experience and diversity of trustees. In 2020 an Equality and Diversity Action plan has been agreed including applying for Investors in Diversity status and a staff Inclusion Group has been established.

### Openness and accountability

The Board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

The Board ensures the Hospice is transparent in its reporting, publishing key documents on its website. The Board works with key stakeholders particularly neighbouring hospices and NHS commissioners. The Hospice works with other providers in the local healthcare economy through the End-of-Life Care Board in the Birmingham and Solihull Integrated Care System (ICS).

## Financial Review

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

In addition to core NHS funding, the charity is required to raise funds by way of donations, grants and other activities. The hospice has had a number of activities in the period to increase awareness amongst the population served. Marketing campaigns across the city of Birmingham and other areas are designed to develop and maintain the profile of the hospice

and to be supporters' first choice charity to support. The hospice has improved supported fundraising offers for corporate, other charity and individual supporters including transparency on its costs.

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

The Charity ended the 2021/22 financial year with a surplus of £469k (20/21: surplus £462,869). after the investment loss of £768k this generates a deficit of £299k which has been accounted for post year end. Total funds as at the 30th of September 22 stands at £14,332,883 (20/21 £14,632,336), Restricted Funds as at 30th September £3,261,148 (20/21 £3,224,136) and Unrestricted Funds as at 30th September £11,071,735 (20/21 £11,408,200).

Charitable activities consisting of inpatient services, community palliative care, Day Hospice, Hospice at Home and education accounted for 78% (20/21: 90%) of expenditure for the year.

Of total income, 64% (20/21: 63%) were generated directly by these charitable activities from the NHS, and therefore the Hospice continues to rely on non-statutory fundraising.

## **Principal sources of funding**

### Donations and gifts

The Charity was pleased to receive donations and gifts of £1,104,821 (20/21: £645,955), an increase of £458,866 (71%).

### Legacies

Income of £1,052,988 (20/21: £277,597) was received from gifts generously left by supporters in their wills. This was an increase of £775,391 (279%) year-on-year and represents 6.8% of the Charity's total funding. Bequests remain vital to the Hospice's continued financial viability, and sincere thanks are due to all those people who continue to remember the Hospice in this way.

### NHS grants

Income from the NHS increased from the previous year to £10.034m from £6.02m, this included funding for HOBS/PHB and an inflation increase.

This contracted income from Birmingham and Solihull CCG and Sandwell accounts for 64% of the Charity's income.

## Trust and Grants

The Trustees remain very grateful for the extremely high level of support received from a range of charitable trusts and foundations. In 2021/22 this totalled £485,768 (2021: £139,830). This was an increase of £345,938 (247%).

## Lotteries

The Charity now owns a one third share of the equity of TLC Lotteries Ltd (TLC). This company is a joint venture between the Hospice, Acorns Children's Hospice and Focus Birmingham. TLC is managed by a Lottery Manager. The TLC Board of Directors comprises two representatives from each of the three charities. The Hospice representatives are a Company Director and the Director of Income Generation. TLC is a decision-making organisation unless Trustee approval is required from any of the owner charities.

During 21/22 £130,281 (20/21: £51,600) was generated from lottery activity, an increase of £78,681 (152%).

## Trading activities

THCP/BH operates 20 Charity shops across the city. Income from trading was £1,893,233 which increased by £1,399,351 (283%) compared with the previous year. Trading costs increased to £1,592,864 by £1,125,368 (240%).

Trading income included £220,236 (20/21: £29,873) relating to donations under the retail Gift Aid scheme, which operates in all of our charity shops.

## Investment income

Investment income increased to £138,381 (20/21: £39,985). The majority of this income was earned through the activities of listed investments.

## Reserves policy

The reserves policy of the Hospice takes into account the nature of the income and expenditure streams and the need to provide against the uncertainty of voluntary income, especially the significant variability of legacy income.

The Trustees have reviewed the risks associated with each major income and expenditure stream and quantified potential variability to determine the value of reserves required. The trustees agreed a new reserves policy in January 2022 which required that a minimum balance of £9.9m is maintained in unrestricted reserves. This will include maintaining free reserves of £3.6m cash, designated reserves £300k held for capital asset purchases, £5m for investment portfolio to supplement income although the portfolio value dropped during the



year to £4.247m due to the economic climate. The reserves held would equate to 8 months operational cover.

The Executive Team work closely with commissioners regarding future services and sustainability. The Finance, Performance and Estates Committee, a sub-committee of the Board, meet four times per year and closely monitor results and future forecasts.

Restricted funds are monies given to the Hospice for specific capital and project work within the overall aims of the organisation. The funds represent both capital and revenue funds and are detailed in note 16 to the accounts. Grants and donations received for capital purposes are accounted for as a restricted fund and the depreciation of the underlying fixed asset is charged to these funds over their lifetime. Revenue funds are received and will be expensed over the lifetime of the project.

Total reserves at the yearend stood at £14,332,883 (20/21: £14,632,336). At the year-end the charity held unrestricted reserves of £11,071,735, that included free reserves (total reserves excluding fixed assets and funds held on investment) of £4,605,742 (20/21: £4,789,375).

### **Principal risks and uncertainties**

Organisational risks are under constant review at the Hospice. The Executive and Business Development Team maintain a 'live' risk register that assesses governance, operational activities and strategic risk which sits under the remit of the Audit and Assurance committee.

On a quarterly basis the governance committees (as detailed on page 21) review and challenge the risks relevant to their committee to ensure the level of risk remains appropriate and that mitigating actions are in place to effectively manage the risk.

The risk register includes a Gross, Net and Residual Risk score enabling Trustees and Executives to focus their attention accordingly.

The entire risk register is presented to the Board of Trustees on an annual basis identifying the procedures and systems in place to manage those risks with high risk ratings.

A wide range of policies and procedures are in place to minimise and manage risk as well as ensure compliance with legislation and CQC standards.

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

- An annual budget approved by the board
- A clear income strategy for the charity
- Progress against the charity budget is reported quarterly at Board meetings and by correspondence in the intervening months;
- Delegation of authority and segregation of duties



## External environment

In 2021/22 and into 2022/23 the global Covid-19 pandemic and workforce availability because of national policy and Brexit continues to be a significant risk. The economic climate has become more challenging leading to the Charity funding a one off cost of living rise for all staff and matching the NHS pay award of £1,400 from October 2022.

Managing staffing during and post pandemic is extremely challenging and we have managed to maintain services throughout. Staff are exhausted but we continually look at new ways to support them through these difficult times. We have provided psychological support, counselling and supervision for staff. Merging during a pandemic has brought unique challenges that has been challenging for the workforce, the pandemic strengthened the case for change and in many ways has expedited new ways of working.

Recruitment of clinical staff remains challenging, there is a lack of nurses and doctors, and this is a national crisis that will go on for some time. We have had some wins in recruiting new staff but this often affects other services across the system. We are all recruiting from the same pool of people and the pool continues to shrink. We have begun to look at recruiting different types of allied health professionals with skills that are transferable to a hospice service. However, we will also always be majorly reliant on a nursing and medical work force which is currently depleted nationally. We hope that launching the new strategy and a major capital appeal will increase staff retention and recruitment.

## Financial sustainability

The organisation receives 64% of its income from the NHS. This reflects the high level of NHS funding on from the historic John Taylor site and reflects the local challenges for fundraising in a very young diverse city with significant health and economic inequalities. The release of NHS England guidance in July 2022 supports the long-term future sustainability of the Charity as this states that the NHS and Local Authority must ensure ongoing sustainable funding sources for the Hospice activity by 2025/26.

We continue to be reliant on charitable giving and the unpredictability of legacy income remains, we do budget conservatively for this to mitigate the associated risks.

## Going concern assessment

The Hospice Charity Partnership, brand name Birmingham Hospice, directors have prepared the charity entity accounts on a going concern basis because assurance has been gained from the main NHS funder that its contract to procure services from the hospice will run until 31 July 2024 at the earliest. There is an adequate level of reserves held in line with the current reserves policy.

## Taxation Status

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

## Investment policy and performance

The investment policy, which was set in conjunction with the investment managers Quilter Cheviot remains unchanged. The objectives of that policy are as follows:

- To provide capital growth over the longer term and the portfolio will supplement the primary source of income for essential charitable expenditure

Although generally, the interests of a charity's beneficiaries are best served by seeking to obtain a financial return from a suitably diverse portfolio of investments, the investment manager does have due regard to those assets which could be detrimental to the aims and objectives of THCP/BH. Trustees aim to avoid directly investing in companies whose main business is in tobacco, alcohol and pharmaceutical companies that don't adhere to the ABPI code of conduct.

Performance targets have been set for the Investment Manager to achieve a return consistent with the objective set out above while maintaining an acceptable level of risk. Performance of the portfolio is reviewed quarterly with the Investment Manager.

## Remuneration policy

The Hospice has published pay scales, which are reviewed annually by the Board of Trustees. All new employee job descriptions, and substantive changes, are subject to evaluation by an external HR specialist to determine pay level. Annually all roles are reviewed as part of the standardised Hospice-wide appraisal process, and re-evaluated if job descriptions have changed materially. The Remuneration Committee oversees the remuneration process for the Chief Executive and Executive Directors.

Trustees and committee members do not receive any form of remuneration for their roles.

## Statement of Responsibilities of the Board of Trustees

The Trustees (who are also Directors of The Hospice Charity Partnership for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the

incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.


The Trustees are responsible for ensuring adequate accounting records are maintained that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable assurance that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- 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 on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report which includes the strategic report will be approved by the Trustees on the 29th March 2023 and signed on their behalf by



**Dawn Ward**

Chair

## Reference and Administration Details

### Patrons

Mrs Judy Dyke LLB, TEP

Mrs Llewela Bailey

Mr Brendon Batson OBE

### Board Of Trustees

Mr H Turner (Chair) (resigned November 22)

Mrs Dawn Ward CBE (Chair) (appointed December 22)

Mrs L Webb

Ms B Edgar (resigned November 22)

Mr R Pickup

Dr J Shapiro

Mrs K Sharpe

Mr P Wainwright

Mr M Goodwin

Mr P Shanahan

Ms K E Dowman MSc Dip IHSM

Mrs J Ward

Mr P Bytheway

### Executive Officers

#### Chief Executive

Mr S Fuller

#### Director of Clinical Services

Miss S Mimmack

#### Finance & IT Director

Mrs A McQuinn (resigned June 22)

Mrs A Szabo FCMA (appointed August 22)

#### Director of Income Generation

Miss L Watkins

#### Medical Director/Consultant

Dr D Talbot MBChB, MRCP, AHEA (resigned June 22)

Dr Christina Radcliffe (appointed July 22)

#### Director of People & Culture

Mrs M Stuteley

### **Registered Office**

76 Grange Road  
Erdington  
Birmingham  
B24 0DF

### **Auditor**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

### **Bankers**

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

### **Investment Managers**

Quilter Cheviot  
8th Floor  
Two Snowhill  
Birmingham  
B4 6GA

### **Registered Charity Number**

1156964

**Country Of Registration**

England and Wales

**Registered Company Number**

08991245

**Country Of Incorporation**

United Kingdom

## Independent Auditors Report

Independent auditor's report to the members of The Hospice Charity Partnership (Brand name Birmingham Hospice).

### **Opinion**

We have audited the financial statements of The Hospice Charity Partnership (Brand name Birmingham Hospice) for the year ended 30 September 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees for the financial statements**



As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Care Quality Commission, Charity Commission, Fundraising regulations, employment law, GDPR and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals to revenue, management bias in accounting estimates and application of controls around authorisation of expenditure. Audit procedures performed by the engagement team included:

- Inspecting trustees' meeting minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

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



Lee Stokes (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place

London

EC4R 1AG

Date: 29 March 2023

## Statement Of Financial Activities for The Year Ended 30th September 2022 Incorporating An Income And Expenditure Account

	Notes	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>	<i>Total funds 2021 £</i>
<b>INCOME FROM:</b>					
Donations and legacies	1	2,703,298	160,514	2,863,812	1,598,983
Charitable activities	2	10,034,071	-	10,034,071	6,023,837
Other trading activities	3	2,530,312	-	2,530,312	816,824
Investments	4	138,381	-	138,381	39,985
Donation of Charitable assets	12	-	-	-	9,217,847
<b>Total</b>		<u>15,406,062</u>	<u>160,514</u>	<u>15,566,576</u>	<u>17,697,476</u>
<b>EXPENDITURE ON:</b>					
Raising funds	5	1,554,645	123,501	1,678,146	374,233
Charitable activities	5	11,826,672	-	11,826,672	7,307,204
Other Trading Activities	5	1,592,864	-	1,592,864	467,496
<b>Total</b>		<u>14,974,181</u>	<u>123,501</u>	<u>15,097,682</u>	<u>8,148,934</u>
<b>Net income before net gains/(losses) on investments</b>		431,881	37,013	468,894	9,548,543
<b>Net gains/(losses) on investments</b>	13	(768,348)	-	(768,348)	194,013
<b>Transfers between funds</b>	16	-	-	-	
<b>Net Movement in funds</b>		(336,467)	37,013	(299,454)	9,742,556
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	16	11,408,201	3,224,136	14,632,337	4,889,780
<b>Total funds carried forward</b>	16	<u><u>11,071,734</u></u>	<u><u>3,261,149</u></u>	<u><u>14,332,883</u></u>	<u><u>14,632,336</u></u>

The notes on pages 43 to 64 form part of these financial statements.

## Balance Sheet as of 30th September 2022

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	12	4,706,455	4,822,275
Investments	13	4,247,237	5,015,585
Investment in Joint Venture		5,100	5,100
		<u>8,958,792</u>	<u>9,842,960</u>
<b>CURRENT ASSETS</b>			
Stock		21,613	10,651
Debtors	14	1,764,899	1,195,751
Cash at bank and in hand		5,274,725	4,989,281
		<u>7,061,237</u>	<u>6,195,683</u>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts due within one year	15	(1,687,146)	(1,381,865)
		<u>5,374,091</u>	<u>4,813,818</u>
<b>NET CURRENT ASSETS</b>			
		<u>14,332,883</u>	<u>14,656,778</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
Creditors: amounts due in after one year	15	-	(24,442)
		<u>14,332,883</u>	<u>14,632,336</u>
<b>NET ASSETS</b>			
<b>REPRESENTED BY</b>			
Restricted funds	16	3,261,148	3,224,135
Unrestricted funds	16	11,071,735	11,408,201
		<u>14,332,883</u>	<u>14,632,336</u>

The notes on pages 43 to 64 form part of these financial statements.

The financial statements were approved on behalf of the Trustees and authorised for issue on 29 March 2023 and signed on their behalf by:



**Dawn Ward** Trustee

Registered Company no : 08991245

## Statement Of Cash Flows for The Year Ended 30th September 2022

	2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the reporting period (as per the statement of financial activities)	(299,453)	9,742,556
Adjustments for:		
Depreciation charges	413,730	189,869
(Gains)/losses on investments	768,348	(194,013)
Loss on the sale of fixed assets	(25,547)	-
Dividends and interest from investments	(138,381)	(39,985)
(increase)/Decrease in debtors	(569,148)	(761,720)
(Increase)/decrease in Stock	(10,963)	(10,651)
Increase/(decrease) in creditors	280,839	774,090
Transfer of Asset St Marys Hospice (note 21)	-	(7,587,493)
Net cash provided by operating activities	419,425	2,112,653
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends and interest from investments	138,381	39,985
Proceeds from the sale of property, plant and equipment	30,000	
Purchase of property and equipment	(302,363)	(121,419)
		-
Net cash used in investing activities	(133,982)	(81,434)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>	285,443	2,031,219
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD</b>	4,989,282	2,958,063
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</b>	<u>5,274,725</u>	<u>4,989,282</u>

## Accounting Policies for The Year Ended 30th September 2022

### General Information

The Hospice Charity Partnership (Brand name Birmingham Hospice) ("the charity") is a charitable company limited by guarantee and is incorporated in England, UK (Company registration number 08991245 and charity number 1156964). The address of the Charity's

registered office and principal place of business is 76 Grange Road, Erdington, Birmingham B24 0DF.

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

### **Basis Of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019, FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Companies Act 2006.

The Hospice Charity Partnership (Brand name Birmingham Hospice) meets the definition of a public benefit entity under the Charities Act. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are presented in sterling which is also the functional currency of the charity.

### **Going Concern**

The Hospice Charity Partnership (Brand name Birmingham Hospice) Directors/Trustees have prepared the Charity accounts on a going concern basis because assurance has been gained from the main NHS funder that their contract to procure services from the hospice will run until 31 March 2023 at the earliest. There is no fundamental uncertainty about the charity's ability to pay debts as they fall due for at least a year after the financial statements have been signed.

### **Income**

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

- Donations receivable for the general purposes of the charity are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds.
- For legacies, entitlement is taken at the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or

when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

- Investment income is recognised on an accruals basis.
- Grants receivable are recognised in the statement of financial activities when the conditions for receipt have been complied with.
- Other income is accounted for in the year in which the service is provided.
- The value of voluntary work is not included in the financial statements.
- Clothing and other items donated for resale through the charity shops are included as income when they are sold. They are not included at valuation prior to being sold as it has been deemed impractical to measure the fair value of the goods and the cost of valuation would outweigh the benefit to the users of the account

## Expenditure

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

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

## Fund Accounting

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



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

## **Financial Instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

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

## **Financial Assets**

### Trade debtors

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

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

### Financial Liabilities

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

### Trade creditors

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

## Operating Leases

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

## Pension Cost

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

## Tangible Fixed Assets

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

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

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

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

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

## Impairment of Fixed Assets

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

## **Investments**

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

## **Taxation**

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

## **Judgements And Key Sources Of Estimation Uncertainty**

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

### Significant judgements

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

### Significant estimates

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. There are no significant estimates having a material effect on the financial statements.

# Notes To the Financial Statements for The Year Ended September 2022

<b>1</b>	<b>INCOME FROM DONATIONS AND LEGACIES</b>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
		<i>Funds</i>	<i>Funds</i>		
		2022	2022	2022	2021
		£	£	£	£
	Donations	1,063,848	40,972	1,104,820	645,955
	Gift Aid on donations	220,236	-	220,236	29,873
	Legacies	1,052,988	-	1,052,988	277,597
	Grants	366,226	119,542	485,768	139,830
	HUK Grant	-	-	-	505,728
		<u>2,703,298</u>	<u>160,514</u>	<u>2,863,812</u>	<u>1,598,983</u>
	<i>Total 2021</i>	<u><u>953,955</u></u>	<u><u>645,028</u></u>	<u><u>1,598,983</u></u>	

<b>2</b>	<b>INCOME FROM CHARITABLE ACTIVITIES</b>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
		<i>Funds</i>	<i>Funds</i>		
		2022	2022	2022	2021
		£	£	£	£
	NHS grants and contracts for patient care	10,034,071	-	10,034,071	6,023,837
		<u>10,034,071</u>	<u>-</u>	<u>10,034,071</u>	<u>6,023,837</u>
	<i>Total 2021</i>	<u><u>6,023,837</u></u>	<u><u>-</u></u>	<u><u>6,023,837</u></u>	

<b>3 OTHER TRADING ACTIVITIES</b>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	<i>Funds</i>	<i>Funds</i>		
	2022	2022	2022	2021
	£	£	£	£
Other income	506,798	-	506,798	271,342
Lottery income	130,281	-	130,281	51,600
Retail income	1,893,233	-	1,893,233	493,882
	<hr/>	<hr/>	<hr/>	<hr/>
	2,530,312	-	2,530,312	816,824
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2021</i>	<i>816,824</i>	<i>-</i>	<i>816,824</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included within retail income is £71,059 of gift aid reclaimed through the retail gift aid scheme (2021: £21,832).

<b>4 INVESTMENT INCOME</b>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	<i>Funds</i>	<i>Funds</i>		
	2022	2022	2022	2021
	£	£	£	£
Dividends and interest from investments	138,381	-	138,381	39,985
	<hr/>	<hr/>	<hr/>	<hr/>
	138,381	-	138,381	39,985
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5	<b>Analysis Of Expenditure</b>	Staff costs	Depreciation	Other costs	Total	Total
		2022	2022	2022	2022	funds
		£	£	£	£	2021
(a)	<i>Costs of raising funds</i>					
	Expenditure on raising voluntary income	1,330,659	123,501	223,986	1,678,146	374,233
(b)	<i>Charitable activities</i>					
	Expenditure relating to delivery of NHS grants and contracts for patient care	9,638,185	238,105	1,950,382	11,826,672	7,307,204
(c)	<i>Trading Activities</i>					
	Expenditure on Trading Activities	890,422	52,125	650,317	1,592,864	467,496
	<i>Total 2022</i>	11,859,266	413,731	2,824,685	15,097,682	8,148,933
	<i>Total 2021</i>	6,761,171	189,869	1,197,893	8,148,933	

6	<b>Expenditure On Raising Voluntary and Trading Income</b>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>	<i>Total</i>
		2022	2022	2022	2021
		£	£	£	£
	Fundraising costs				
	Staff costs	1,330,659	-	1,330,659	289,936
	Depreciation	-	123,501	123,501	20,765
	Other costs	223,985	-	223,985	63,532
		<u>1,554,644</u>	<u>123,501</u>	<u>1,678,145</u>	<u>374,233</u>
	<i>Total 2021</i>	<u>374,233</u>	<u>-</u>	<u>374,233</u>	

7	<b>ANALYSIS OF EXPENDITURE BY ACTIVITIES</b>	<i>Activities</i>	<i>Support costs</i>	<i>Total</i>	<i>Total</i>
		<i>undertaken</i>			<i>funds</i>
		<i>directly</i>	2022		2021
		2022	£	2022	£
	NHS grants and contracts for patient care	9,638,185	2,188,487	11,826,672	7,307,204
	<i>Total 2021</i>	<u>5,275,945</u>	<u>2,031,259</u>	<u>7,307,204</u>	

8	<b>DIRECT COSTS</b>	<i>Total</i>	<i>Total</i>
		2022	2021
		£	£
	Drugs	77,077	44,308
	Medicinal supplies	87,259	110,426
	Covid Supplies	(5,490)	5,500
	Cleaning and laundry	105,495	39,609
	Catering	110,817	36,987
	Small equipment	31,415	10,287
	Training	128,166	41,503
	Depreciation	238,105	132,664
	Contracted medical staff	440,812	459,114
	Wages and salaries	6,912,943	3,689,427
	National insurance	471,101	307,408
	Pension cost	280,103	398,712
		<u>8,877,803</u>	<u>5,275,945</u>

9	<b>SUPPORT COSTS</b>	<i>Total</i>	<i>Total</i>
		2022	2021
		£	£
	Premises costs	564,882	91,071
	Travelling and subsistence	30,750	29,580
	Office costs	102,403	198,829
	Repairs and renewals	117,481	25,270
	Legal and professional	75,548	68,938
	Merger Costs	107,460	132,596
	Other costs	-	120,943
	Wages and salaries	1,382,946	1,170,258
	National insurance	94,245	97,540
	Pension cost	56,035	96,234
		<u>2,948,869</u>	<u>2,031,259</u>



## 10 NET INCOME

	<i>Total</i> 2022	<i>Total</i> 2021
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	413,730	189,869
Operating lease rentals	289,884	88,355
Auditors' remuneration – audit	23,730	13,600
	<u>                    </u>	<u>                    </u>

## 11 STAFF COSTS

	<i>Total</i> 2022	<i>Total</i> 2021
	£	£
Staff costs were as follows:		
Wages and salaries	9,424,438	5,259,377
Social security costs	978,005	447,499
Other pension costs	825,775	503,922
	<u>                    </u>	<u>                    </u>
	11,228,218	6,210,798
Agency and contracted staff	631,048	550,373
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>
	11,859,266	6,761,171
	<u>                    </u>	<u>                    </u>

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

	<i>Total</i> 2022	<i>Total</i> 2021
	No	No
Hospice	293	214
Management and administration	78	50
	<u>                    </u>	<u>                    </u>
	371	264
	<u>                    </u>	<u>                    </u>

The number of higher paid employees was:

	<i>Total</i> 2022	<i>Total</i> 2021
	No	No
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	2	4
In the band £80,000- £90,000	1	-
In the band £90,000 -£100,000	2	1
	<u>                    </u>	<u>                    </u>
	8	6
	<u>                    </u>	<u>                    </u>

During the year, no Trustees received any remuneration (2021 - £NIL).

During the year, no Trustees received any benefits in kind (2021 - £NIL).

During the year, no Trustee received reimbursement of expenses for travel and subsistence for £0 (2021 - £0).

Included within the wages and salaries are staff termination costs of £9,505 (2021 - £190,858).

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

### **Key management remuneration**

The key management personnel of the charity comprise of the executive staff as listed on page 3. The total employee benefits of the key management personnel of the Charity were £490,989 (2021 - £432,105).

**12 Tangible Fixed Assets**

	<i>Freehold Land &amp; Buildings</i>	<i>Leasehold Improvements</i>	<i>Computer Equipment</i>	<i>Fixtures, Fittings, Vehicles</i>	<i>Clinical</i>	<i>Retail Fixtures &amp; Fittings</i>	<i>Total</i>
	£	£	£	£	£	£	£
Cost:							
1 October 2021	3,769,496	414,927	757,870	256,848	554,784	333,047	6,086,972
Additions	110,738	-	144,962		24,059	22,604	302,363
Disposals	-	-	-	(27,092)	-	-	(27,092)
30 September 2022	<u>3,880,234</u>	<u>414,927</u>	<u>902,832</u>	<u>229,756</u>	<u>578,843</u>	<u>355,651</u>	<u>6,362,243</u>
Depreciation:							
1 October 2021	58,987	48,483	599,024	185,614	275,857	96,732	1,264,697
Charged in the period	87,403	66,266	120,108	50,087	40,092	49,774	413,730
Eliminated on disposal	-	-	-				
30 September 2022	<u>146,390</u>	<u>114,749</u>	<u>719,132</u>	<u>(22,639)</u>	<u>-</u>	<u>-</u>	<u>(22,639)</u>
Net book value	<u>3,733,844</u>	<u>300,178</u>	<u>183,700</u>	<u>16,694</u>	<u>262,894</u>	<u>209,145</u>	<u>4,706,455</u>
30 September 2022	<u>3,710,509</u>	<u>366,444</u>	<u>158,846</u>	<u>71,234</u>	<u>278,927</u>	<u>236,315</u>	<u>4,822,275</u>
30 September 2021	<u>3,710,509</u>	<u>366,444</u>	<u>158,846</u>	<u>71,234</u>	<u>278,927</u>	<u>236,315</u>	<u>4,822,275</u>

<b>13 Investments</b>	<i>Total</i> 2022 £	<i>Total</i> 2021 £
Valuation:		
1 October 2021	5,051,585	1,051,552
Transfer in from Merger	-	3,770,020
Additions	1,306,340	535,044
Disposals	1,285,650	(535,044)
	-	
Unrealised gain/loss	<u>(789,038)</u>	<u>194,013</u>
30 September 2022	<u><u>4,247,237</u></u>	<u><u>5,015,585</u></u>

The Historical cost of investment is £4,023,785 (2021: £4,770,020).

<b>14 DEBTORS</b>	<i>Total</i> 2022 £	<i>Total</i> 2021 £
Trade debtors	904,589	410,857
Other Debtors	477,995	210,594
Prepayments and accrued income	382,315	574,300
	<u>1,764,899</u>	<u>1,195,751</u>

<b>15 CREDITORS</b>	<i>Total</i> 2022 £	<i>Total</i> 2021 £
Trade creditors	146,716	348,402
Other taxation and social security	221,806	187,744
Corporation tax	-	10
Other creditors	113,876	112,403
Accruals and Deferred income	<u>1,204,748</u>	<u>757,748</u>
	1,687,146	1,406,307

Included in the above are creditors due after one year of £nil (2021: £24,442).

<b>16 Statement Of Funds</b>	<i>Brought forward</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Carried forward</i> £
Unrestricted funds	11,408,201	15,406,062	(15,763,217)		11,051,046
Restricted funds					
SEIF	171,611				171,611
SPUR / hobs data review project					261,090
League of Friends	261,090				801,383
Hospice Capital Projects	801,383				592,994
Extension Fund	592,994	-			175,875
Hospice Service Fund	175,875				28,822
H J Conservatory Fund	28,822	-			718,400
Freehold Property Fund	718,400	-			259,268
Roof Appeal	259,268				
EOL	89,419				89,419
Other	125,273	181,203	(123,501)		182,975
Total restricted funds	3,224,135	181,203	(123,501)		3,281,837
Total funds	14,632,336	15,587,265	(15,886,718)	-	14,332,883
	<i>Brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Carried forward</i>
<i>2021 comparative</i>	£	£	£	£	£
Unrestricted funds	4,236,654	14,683,310	(7,538,403)	26,640	11,408,201
Restricted funds					
SEIF	168,189	-	-	3,422	171,611
League of Friends	287,157	-	-		261,090
EOL	107,476	-	(18,057)	(26,067)	89,419
Other	90,304	3,208,179	(592,473)	(3,995)	2,702,015
Total restricted funds	653,126	3,208,179	(610,530)	(26,640)	3,224,135
Total funds	4,889,780	17,891,489	(8,148,933)	-	14,632,336

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

- SEIF: funding used for capital purchase of property and refurbishment required
- League of Friends: funding used for capital work on property, purchase of a vehicle for patient transport and large clinical items required for IPU
- EOL: Central government funding provided for IT and infrastructure initiatives to aid cross city hospice service provision

- Other: funding currently held for Dementia project, complementary therapy project, Children's bereavement project, a family room, a young persons room and social hub
- Hospice UK resilience funding: The NHSE awarded funding to allow the hospice to make available bed capacity and community support in the context of the Covid situations from November 2020-March 2021
- Hospice Capital projects: funds to cover the costs of specific items of capital expenditure, such as refurbishment, fittings, vehicles, computers and equipment. This includes major refurbishment of the BSM site in patient unit and reception completed in 2009/10, the Day hospice in 2010/11 and the Family Centre completed in 2013/14
- Extension fund to help meet the costs of the hospice extension and major refurbishment programme completed in 1997/98
- Hospice services fund to help meet the direct revenue cost of a variety of projects including, child bereavement services, a support at home service and a bereavement counsellor
- Henry Joseph conservatory fund to fund the conservatory on the BSM inpatient unit in 1998/99
- Education centre fund to cover expenditure on the hospices education and conference facilities, completed in 1999/2000

<b>17 Split Of Net Assets By Fund</b>	<i>Unrestricted funds</i> 2022 £	<i>Restricted funds</i> 2022 £	<i>Total Funds</i> 2022 £	<i>Total Funds</i> 2021 £
Tangible fixed assets	1,445,307	3,261,148	4,706,455	4,822,275
Fixed asset investments	4,252,338	-	4,252,338	5,020,685
Current assets	7,061,236	-	7,061,236	6,195,683
Creditors due within one year	(1,687,146)	-	(1,687,146)	(1,381,865)
Creditors due after one year	-	-	-	(24,442)
	<u>11,071,735</u>	<u>3,261,148</u>	<u>14,332,883</u>	<u>14,632,336</u>
	<u><u>11,071,735</u></u>	<u><u>3,261,148</u></u>	<u><u>14,332,883</u></u>	<u><u>14,632,336</u></u>
<i>2021 comparative</i>	<i>Unrestricted funds</i> 2021 £	<i>Restricted funds</i> 2021 £	<i>Total Funds</i> 2021 £	<i>Total Funds</i> 2020 £
Tangible fixed assets	1,598,140	3,224,135	4,822,275	1,078,351
Fixed asset investments	5,020,685	-	5,020,685	1,051,552
Current assets	6,195,683	-	6,195,683	3,392,094
Creditors due within one year	(1,381,865)	-	(1,381,865)	(632,217)
Creditors due after one year	(24,442)	-	(24,442)	-
	<u>11,408,201</u>	<u>3,224,135</u>	<u>14,632,336</u>	<u>4,889,780</u>
	<u><u>11,408,201</u></u>	<u><u>3,224,135</u></u>	<u><u>14,632,336</u></u>	<u><u>4,889,780</u></u>

## 18 Pension Costs

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

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

Total contributions to all schemes amounted to £825,775 (2021: £517,202).

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

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

### a) Full actuarial (funding) valuation

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



The last published actuarial valuation undertaken for the NHS Pension Scheme was as at 31 March 2012 (published in June 2014), the previous actuarial valuation was carried out as at 31 March 2004. The primary purpose of the 2012 actuarial valuation was to set the employer contribution rate payable from April 2015, in light of the introduction of new pension arrangements from 1 April 2015 explained below, and the initial employer cost cap which is required by the Public Service Pensions Act 2013. Both the employer contribution rate and employer cost cap will be included in Scheme Regulations. The next actuarial valuation is expected to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

#### **b) Accounting valuation**

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

purposes. However, as the interval since the last formal valuation now exceeds four years, the valuation of the scheme liability as at 31 March 2014 is based on detailed membership data as at 31 March 2013 updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

#### **c) Scheme provisions**

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

On 1 April 2008 a new section of the NHS Pension Scheme was introduced for new members. Most members of the Pension Scheme prior to 1 April 2008 are in the 1995 section. New joiners on, or after, 1 April 2008 are members of the 2008 section. The changes

introduced new rules for NHS employees joining from 1 April 2008 and modified the rules for those already in the pension scheme prior to this date.

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

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

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

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

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

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVCs run by the scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers. For the year to 30 September 2020 the employer contribution rate was 14.38% of pensionable pay with employee rates (before tax relief) varying between 5% and 13.5 %.

## **19 Related Party Transactions**

The Non-Executive Director Trustees were not paid or reimbursed any expenses in the current or preceding year. No Trustee received any emolument or payment for professional or other services. From November 2020 a joint exec team was formed with Birmingham St Marys, on a monthly basis until the merger in August 2021 50% of the related payroll costs were invoiced to Birmingham St Marys.

There were no other related party transactions in the current or prior year.

## 20 Financial Commitments

### Operating Lease Commitments

Due to the merger increasing our charity shop portfolio to 20 units, as at 30th September 2022 the company had total commitments under non-cancellable operating leases as follows:

	2022	2021
	£	£
land and buildings:		
payable within 1 year	297,792	297,792
payable within 2 and 5 years	105,503	334,253
	<u>403,295</u>	<u>632,045</u>