

Annual Report and Accounts 2022-23

Health Education England
(Executive Non-Departmental Public Body)



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**Presented to Parliament pursuant to The Health Education England
(Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023**

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About Health Education England

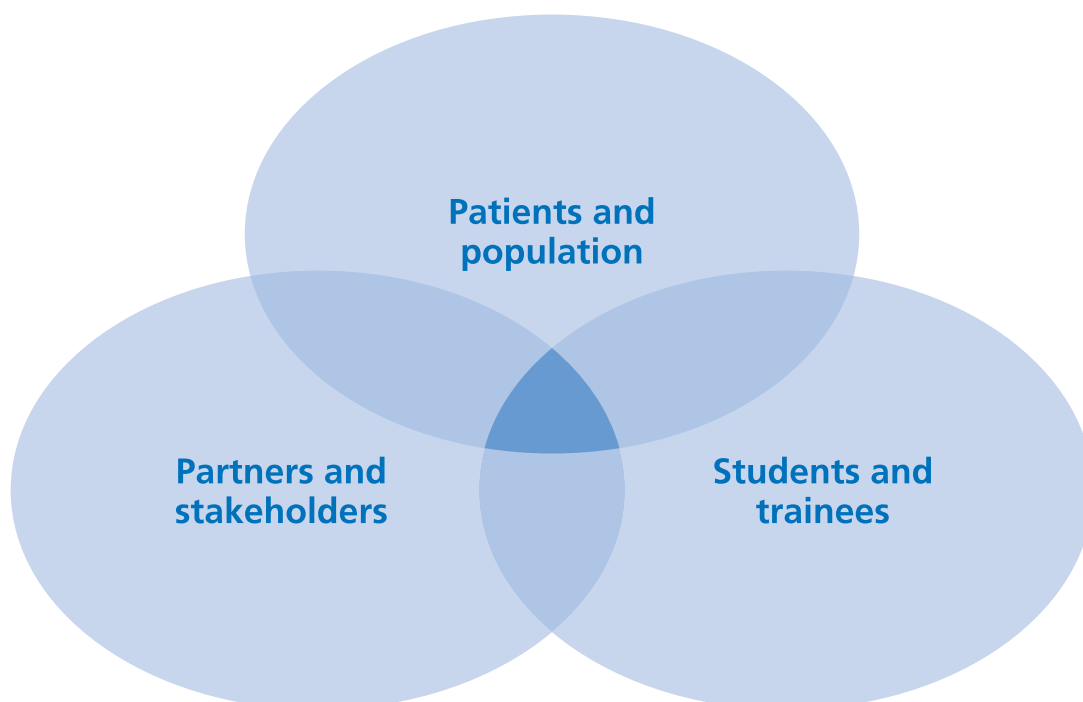
Health Education England exists for one reason only: our **vision** is to help improve the quality of life and health and care services for the people of England by ensuring the workforce of today and tomorrow has the right skills, values and behaviours, in the right numbers, at the right time and in the right place.

Our **purpose** as part of the NHS, is to work with partners to plan, recruit, educate and train the health workforce.

We are people centred, committed to the NHS Constitution, and driven by our **values** of responsibility, inclusiveness, fairness and confidence.

Our **goals** are to deliver and reform education to produce the best possible **future workforce**, to transform the **current workforce** to meet tomorrow's health and care needs, and ensure the **quality** of our education and training system.

We serve ...



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Foreword from our Chair and Chief Executive

After a decade of existence this is **Health Education England's (HEE's)** final Annual Report and Accounts. HEE is now part of the **new NHS England** along with legacy NHS England, NHS Digital and NHSX. In our final year HEE continued to innovate and focus on quality, whilst driving reform and the use of digital technology to improve education and training, retention and workforce resilience.

We made progress against our three strategic priorities: **future workforce, current workforce** and **quality** during a year of Covid recovery, industrial action and ongoing system pressures. We supported the NHS and our learners. The **graduate pipeline** continued to flow whilst we maintained the quality of training and delivered our 2022-23 objectives and commitments.

- 9,455 students accepted onto **undergraduate doctor and dentist** programmes.
- 59,640 students accepted onto **undergraduate allied health professional** courses.
- 23,240 students accepted **nursing degree** courses.
- 4,000 plus trainee **General Practitioners** (GPs) recruited.

We remain on track to deliver the system-wide Nursing 50k commitment, with over **36,000 more whole-time equivalent nurses** working in the NHS compared to September 2019. From a domestic supply perspective, some wider risks to delivery lead to the amber status reported.

We continued to provide global learning opportunities for NHS staff in mutually beneficial programmes, increasing the quantity and quality of staff working in the NHS. As of January 2023, we had **38 Global Health Fellow** placements and our ethical migratory pathway pilots were on track to achieve our targets.

HEE also became a **World Health Organisation Collaborating Centre on Human Resources for Health**, building on our co-hosting the NHS Consortium for Global Health with the Foreign, Commonwealth and Development Office. We also developed partnership programmes between Global Health Partnerships and Integrated Care Systems.

The **Strategic Planning Framework** (refreshed Framework 15) publication was delayed to align with the development of a new **Long-Term Workforce Plan**. In the interim, HEE continued to provide the wider system with the data, expertise, analysis, and tools to make short and long-term plans that aligned service, finance, and workforce.

We continued **education and training reform** to address health inequalities and facilitate multi-professional team working. This includes offering greater flexibility in training through our Enhancing Trainee Doctors Working Lives' programme and Out of Programme Pause, Less Than Full Time Training and Flexible Portfolio Training initiatives.

Technology and Innovation

We continued to deliver our digital objectives including the NHS Digital Academy, Digital Boards, and blended learning in nursing, midwifery, medicine, and global health using **innovative technology to deliver education**.

HEE's **Technology Enhanced Learning** function offered evidence-based guidance, support and access to platforms, content, and technology, including simulation, immersive programmes, development sessions, and spreading innovation and best practice. HEE's **Digital First** programme focussed on user centred service design, including a self-managed learning programme and digital best practice with a satisfaction rate of 98%.

Foreword from our Chair and Chief Executive

Looking after our people

All our achievements are thanks to the **incredible work of our colleagues**. In 2022-23 our programmes including Best Place to Work, Management Development, Virtual Corporate Induction, Stay Well and Invest in Yourself continued to support colleagues to be at their best. Creating an **inclusive and supportive work environment**, in which colleagues can bring their whole selves to work, allows us to deliver our priorities, attract and retain the best talent, and represent the population we serve.

Our listening forums and survey showed that colleagues continued to have **a positive experience** of HEE's culture, development opportunities, and space to show initiative. The results also showed we **need to do more** to be as inclusive as we aspire or need to be.

A new chapter

In Autumn 2021, we welcomed the Secretary of State for Health and Social Care's announcement that HEE will join NHS England and Improvement, NHSX and NHS Digital to form a **new NHS England**. This new organisation aligns people, responsibilities, services, finances, and plans to better deliver for the NHS and our population. We look forward to delivering our priorities as part of the new NHS England.

Thank you

HEE's achievements are possible because of colleagues, our advisory committee members and our partners and stakeholders. We are grateful to them all for their skills, commitment, and dedication to delivering our very best for the people we collectively serve through challenging times.



Sir David Behan CBE
Chair, to 31 March 2023



Dr Navina Evans CBE
Chief Executive, to 31 March 2023

Our Strategic Direction

HEE was part of the NHS and works with partners to plan, recruit, educate and train the NHS workforce. HEE was established in 2012 as a Special Health Authority. It became a Non-Departmental Public Body through the Care Act 2014 which sets out HEE's remit, roles and responsibilities, including ensuring an effective system of education and training for the NHS and public health and promote the NHS Constitution.

In November 2021, the Secretary of State for Health and Social Care announced their intent that Health Education England (HEE) that HEE would join NHS England/Improvement (NHSE/I), NHS Digital (NHSD) and NHSX to form a new NHS England; aligning people, responsibilities, services, finances, and plans enabling better support, services and leadership for the NHS and our population.

Throughout 2022-23 a robust transition programme across NHSE/I, HEE and NHSD has shepherded the creation of a new NHS England, with all organisations formally coming together as NHS England on 1 April 2023. Central to that programme has been how we come together as an effective organisation, with the right vision, values and culture to deliver the very best for our patients, communities and people. In 2022-23 HEE continued to align regional teams with NHSE/I to further develop collaborative working to support the NHS's pandemic response and in preparation for the new NHS England transition. As part of the transition, The NHS England Board has established a Workforce, Training & Education Committee as a committee of the Board to support the exercise of the duties and powers of the Board and its responsibilities. This Committee has oversight of all functions which ensure the NHS in England has a sufficient and inclusive workforce and the knowledge, skills, values and behaviours to deliver compassionate, high-quality health and care to the people it serves; largely functions carried out by HEE during its existence.

Parliament entrusted HEE with £5.3 billion, to plan, recruit, educate and train the health workforce. HEE's Mandate, for which it is accountable to the Secretary of State, for Health and Social Care set out the government's strategic objectives for HEE. The Mandate was developed collaboratively by HEE and NHSE/I. Supporting the government to manage COVID-19 was a priority along with 14 objectives grouped under six key themes:

- COVID-19 response and recovery
- Government healthcare workforce priorities
- NHS Long Term Plan delivery
- Long-term workforce planning and reform to transform services
- Collaboration with social care
- Supply of information.

The Mandate outlined that the government would abolish Local Education and Training Boards (LETBs) in the Health and Social Care Bill. The Bill received royal assent in April 2022, confirming the abolition.

The Framework Agreement between DHSC and HEE, agreed in September 2022, defines how we work together; and how both discharge their accountability responsibilities effectively. It sets out that HEE will work collaboratively with NHSE/I and other partners to achieve shared goals.

How we operate

We are led by our Chair and Chief Executive, who are part of our Board, alongside Executive and Non-Executive Directors. Our Regional Directors lead locally to deliver and assure performance by working as local systems and integrated regional teams with other Arm's Length Bodies (ALBs).

HEE's Board provides strategic leadership and accountability to government, Parliament, and the public. The Board is supported by committees which undertake detailed scrutiny, reporting and assurance in their areas of responsibility. Further details are presented from page 38. For further information visit: <https://www.hee.nhs.uk/about/how-we-work>

Our Strategic Direction

In our final year, HEE focussed on facilitating a smooth transition into the new NHS England, the HEE Board and Executive Team have focused on three strategic goals:

- Future workforce - 'Reform clinical education to produce the highest quality new clinical professionals ever in the right number'.
- Current workforce - 'Transform today's workforce to work in a co-operative, flexible, multi-professional, digitally enabled system'.
- Quality and patient safety - 'Deliver and quality assure with partners, education and training that is rigorous, highly sought after and future focused'.

These goals are delivered through our core responsibilities which set the framework for our Business Plan:

- Workforce planning and analysis
- Postgraduate medical and dental education
- Clinical education and training
- Quality of education and training
- Workforce transformation.

In addition to supporting learners in their education and development, many Business Plan deliverables were developed with partners as part of producing the NHS People Plan. These deliverables were assessed for affordability within HEE's budget.

The Board and Executive Team have responsibility for HEE's direction and performance. They set the vision, strategy, and goals and ensure effective performance by teams and individuals.

The Operating Model outlines how HEE works and adds value, where decisions are made and how it fits into the wider health and care landscape. It aligns policy and strategy with delivery. HEE's Plan on a Page provides a framework focusing on 'the big picture'. It reiterates our purpose statement and our three strategic goals which effectively set out why HEE exists. Value for taxpayers runs through everything we do.

Health and Care Act 2022

The Health and Care Bill received Royal Assent and became an Act of Parliament on 28 April 2022. The main aims of the Act are to change how NHS care is commissioned through the greater involvement of clinicians and a new NHS Commissioning Board; to improve accountability and patient voice; to give NHS providers new freedoms to improve quality of care; and to establish a provider regulator to promote economic, efficient and effective provision.

Of particular note to HEE as a result of the Health and Care Act:

- Using the enabling powers within the Act HEE became one legal entity with NHS England (and NHS Digital who joined on 1 February 2023) on 1 April 2023
- Abolished Local Education and Training Boards.

Performance Report

Statement on performance

This section outlines where HEE finished its life in delivering our objectives which now pass on to the new NHS England. We are **confident that across the broad range** of priorities, targets, mandate deliverables and multi-year programmes **we remain on track** and take a healthy performance position into the new NHSE with us.

Our roles set out below will become the responsibilities of the new NHSE.

HEE works with partners to plan, recruit, educate and train the workforce so that the NHS has the right number of staff, with the right skills, knowledge, and values.

We ensure the provision of future workforce supply through education and training commissioning and improve the quality of education and training.

We help develop the healthcare workforce to enable it to better respond to healthcare changes now and in the future.

Workforce Transformation shapes how we recruit, retain, deploy, develop, and support the workforce to meet the growing and changing needs of local populations.

I want to take this opportunity to **thank colleagues throughout the years of HEE** in delivering major advances for the NHS in workforce, education and training.

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

Performance Report

Overview

This section outlines progress on HEE's 2022-23 **Business Plan and Mandate commitments**. HEE's performance framework mirrors the business plan and Annex 1 provides a comprehensive summary of HEE's delivery against the 2022-23 commitments, in summary we are reporting:

- 22 are complete or on track.
- 3 are slightly off track.

Our main risk was the underspending of our budget, caused partly by **under-delivery of the Multi-Professional Education Training Implementation Plan (METIP)**. Several courses had lower uptake compared with 2021-22 which was an exceptional year with many areas, including nursing, recruited at record levels in response to the pandemic. Although numbers dropped last year, **overall recruitment remains above pre-pandemic levels**.

HEE's Performance and Delivery Group (PDEG) and the Performance & Business Committee (PBC) were appraised of progress throughout the year, with deep dives also forming deeper understanding of issues and mitigation. A more detailed analysis of HEE's performance is reflected in the next section.

Performance Report

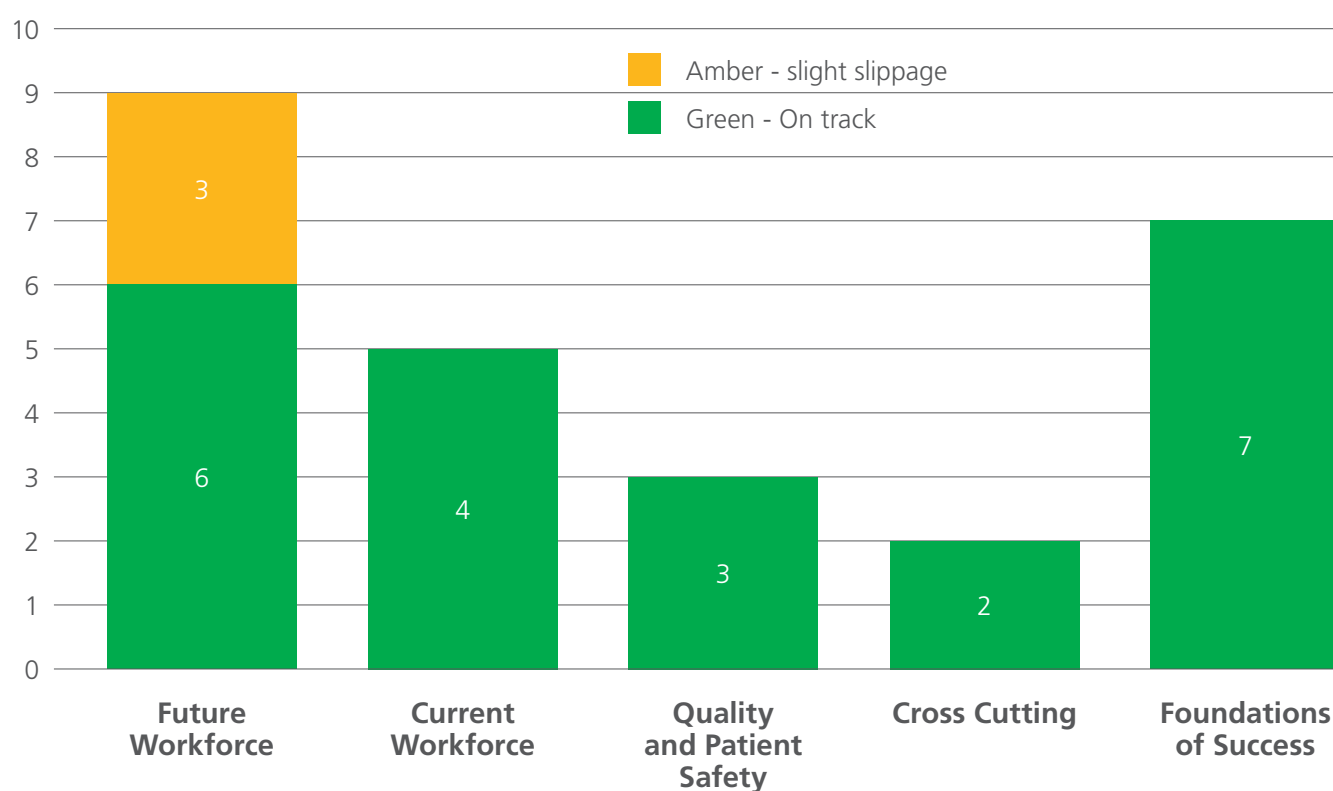
Performance Analysis

This analysis provides more detail of how HEE delivered against its objectives and operated effectively.

The Performance Reporting framework is structured around HEE's three strategic priorities: **Future Workforce**, **Current Workforce** and **Quality** and the two underpinning domains: **Cross-cutting** and **Foundations of Success**, in our Business Plan.

The chart below shows our delivery against the 25 objectives in the five strategic domains.

Chart 1 - Delivery of HEE's Business Plan objectives as at Q3 2022-23



This shows that 22 of 25 objectives are delivered or on track, and 3 which proved more challenging:

- **Domestic education and training supply to meet NHS need with the required placement capacity expansion** - HEE delivered less activity than expected. We have less influence on market led courses and uptake was lower compared to plan.
- **NHS Long-Term Plan priorities and Manifesto commitments for Mental Health** - this is partly due to lower uptake than expected of training places.
- **NHS Long-Term Plan priorities and Manifesto commitments for Nursing** - whilst the manifesto commitment to expand the nursing workforce by 50,000 is on track, from a domestic supply perspective, some wider risks to delivery lead to the amber status.

Performance Report

Performance Analysis

Strategic Priority: Future Workforce

Our goal is to reform clinical education to produce the highest quality new clinical professionals ever in the right number. There are five objectives in this domain. As delivering the NHS Long-Term Plan is such a broad objective, we created 5 separate work programmes: Primary Care, Nursing, Mental Health; Allied Health Professionals (AHPs) and Cancer and Diagnostics, leading to 9 reporting areas.

1. Support delivery of domestic education and training supply to meet NHS need with the required placement capacity expansion.

The number of students accepting and starting courses was lower than the plan and 2021 peak. The **pandemic response generated an unprecedented increase in student applications** for health-related courses and should be considered an exceptional year. Overall numbers remain above the 2019 pre-Covid position. Delivery has been rated Amber.

The Universities and Colleges Admissions Service (UCAS) 2022 end of cycle data reports:

- **9,455 students were accepted on undergraduate doctor and dentist programmes in England.** This is similar to 2019 (9,395) but below the peak acceptance numbers of 2021 (10,770)
- **59,640 students were accepted on undergraduate courses allied to medicine** in England. This is 14% higher than 2019 (52,340) but below the peak acceptance numbers of 2021 (62,865)
- **Of the 59,640, there were 23,240 students accepted on nursing degree courses** in England. This remains 18% higher than the pre-Covid 2019 acceptances (19,770). However, acceptances for 2022 are 10% lower than the 2021 peak (25,815).

Intelligence from HEE's regional teams reaffirms the UCAS position. The under delivery against METIP is reflected across several Key Performance Indicators.

2. Develop a new Strategic Planning Framework based on integrated workforce planning.

The Strategic Planning Framework (**Framework 15 refresh**) was developed; however, publication has been delayed due to the development of a new **Long-Term Workforce Plan** (LTWP). We held 6 out of a planned 7 regional roadshows, showcasing the Framework and engaging with system leaders.

In the interim, HEE has continued to provide the data, expertise, analysis, and tools to help the system make feasible short and long-term plans aligning service, finance, and workforce.

3. Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Primary Care.

There are several strands of work contributing to delivery of this work programme including:

- **GP recruitment** - more than 4,000 trainee GPs accepted placements to join the profession which means HEE hit the Government's target for GP specialty trainee recruitment for the fifth consecutive year. This supports the manifesto commitment for 6,000 more GPs in primary care by March 2024.
- **Placements** - work to extend training in GP practices from 18 to 24 months is being progressed and the aim is for 100% of August 2023 starters to undertake 24-month training.
- **Other professional groups** - we continue to work on Physician Associates (PA) and Anaesthesia Associate (AA) trainees. The PA plan is unlikely to be met due to one university withdrawing the course offer and another did not start as planned.

In addition, HEE continues the roll out ICS level training hubs and despite the PA issues, other areas have progressed well. Overall, this programme is performing well.

Performance Report

Performance Analysis

4. Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Nursing.

HEE supported the system-wide Nursing 50k commitment. NHSE workforce statistics (January 2023) show **36,341 more FTE nurses** working in the NHS than in September 2019 giving a total of 337,245.

There are currently **sufficient student numbers** due to complete and be available to join the nursing workforce by March 2024 to deliver the training component of the manifesto commitment. However, the overall programme is rated Amber as there are risks to the wider domestic workforce.

Key factors include:

- decline in transition from education to NHS FTE substantive posts
- inflow from the wider labour market
- within NHS churn (including reduced hours)
- increased leaver rates (including newly qualified nurses (NQNs) in the first year).

These factors highlight the importance of maintaining the domestic education and training pipeline at current levels. The reduction from the 2021 high point will not impact on the 50k commitment.

We continued activities to support nurses in training and minimise the risk of attrition. These include:

- **Investing in 37 Higher Education Institutes (HEIs)** for initiatives to support nursing students at risk of leaving. This includes support for academic skills, placement and pastoral support, breakfast clubs and bringing support services together.
- **Investing in 30 HEIs to support “paused” nursing students** to return and complete. Good practice guide shared with all HEIs to aid collaboration and wider adoption.
- **Developing a Preceptor eCompendium.** This multi-professional resource for nurses, midwives and AHP Preceptors prepares aspiring Preceptors and provides flexible refresher resources for current and returning Preceptors. The modules are expected to be released during 2023.
- **Investing in four HEIs to implement the Solutionpath StREAM.** This product tracks student engagement using available data. Students and their HEI are alerted to changes in engagement as an early warning indicator of students at risk of leaving and stepping in to provide interventions.

5. Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Mental Health (MH).

HEE has **successfully delivered the training capacity required** for the commitments, however, **the uptake of places has been lower** than planned, resulting in the Amber rating.

Specifically, Increasing Access to Psychological Therapies (IAPT) and Children and Young People and Psychological Therapies (CYPPT) training starts were below plan. Additional cohorts were set up in Spring 2023 to help mitigate the gap.

HEE worked with NHSE to influence and support the planning process and encourage uptake, including understanding why places weren't taken up. Providers are not always releasing staff and there are challenges for trainees when more specialised courses are provided outside their geographical location.

We worked with NHSE and providers to release staff and with education and training providers on new flexible delivery methodologies such as blended learning.

Performance Report

Performance Analysis

6. Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for AHPs.

The AHP programme delivered its priorities and commitments working with Professional bodies and regulators. We address AHP shortages across the fourteen professions by:

- **Working with partners to increase awareness** of AHP disciplines and produce resources e.g., quick guides to stimulate interest and broaden routes into the professions.
- **Growing pre-registration training and placement** recovery to expand placements and apprenticeships, support workers and career development.
- **Optimising the role of the support worker** within each profession through a career framework and educational review.
- **Reforming education** to develop clinicians to meet the complex, changing needs of our populations.

7. Continue to deliver the NHS Long-Term Plan (LTP) priorities and Manifesto commitments for Cancer and Diagnostics (CAD).

HEE made good progress to deliver its CAD commitments. Funding was dispersed to regions and through the CAD priority programme; Cancer, Imaging, Endoscopy, HCS, Pathology, Genomics and Medical Expansion.

Regional intelligence suggests CAD apprenticeship trainee numbers are likely to be below plan, however a new apprenticeship in Cancer has received considerable interest. Processes and collaborative working across Arms-Length Bodies (ALBs) to ensure priorities are identified and delivered to meet targets.

8. Through global health partnerships, we will increase the quantity and quality of staff working in the NHS.

HEE continues to provide global learning opportunities for NHS staff to engage in mutually beneficial programmes. During 2022-23, achievements included:

- **38 global health fellow** placements (January 2023).
- collaboration with 26 HEE staff on **Technical Collaboration and Consultancy Services** projects.
- **25 NHS Consortium Technical Advisory Service advisors** in NHS Consortium projects
- **Ethical migratory pathway pilots** on track to achieve target recruitment and sustainable pathways in podiatry, paramedics, diagnostic radiographers, and emergency medicine.

The Global learner's framework contract was awarded. Its development and implementation supports NHS staff and systems to understand the learning and benefits from global health activities.

HEE also developed partnerships between Global Health Partnerships and ICSs to explore and deliver global health workforce solutions and used the HEE Star for transformation discussions with ICSs.

9. Deliver education and training reform to address health inequalities and facilitate multi-professional team working.

The Enhancing Trainee Doctors Working Lives' programme enables greater flexibility in training through the Out of Programme Pause (OOPP), Less Than Full Time Training (LTFT) and Flexible Portfolio Training (FPT) initiatives.

- The **OOPP evaluation** is due in July 2023, with over 350 trainees starting the pause. A project to transition OOPP from pilots to business as usual is underway.
- **LTFT**: a longitudinal evaluation is in the third and final year, with the report due in Spring.
- **FPT**: following support from the Academy of Medical Royal Colleges (AoMRC), FPT will be able to expand to other specialities at the discretion of local Postgraduate Deans during 2023.

Performance Report

Performance Analysis

The **Addressing Health Inequalities: Distribution of Medical Specialty Training** programme aims to equitably distribute training investment to ensure future doctors align better with population health needs. The next tranche of specialties will commence from August 2023.

Strategic Priority: Current Workforce

Our goal is to transform today's workforce to work in a co-operative, flexible, multi-professional, digitally enabled system. There are four objectives aligned to this goal:

1. Support Integrated Care Systems (ICS) with new ways of working and workforce redesign.

HEE continued to support ICSs with new ways of working, these include:

- Continued roll out of the **development programme for HEE ICS facing teams** to support new ways of working and tools to support workforce redesign: Roles Explorer, Multi-Disciplinary Team Toolkit, and the HEE Star in Action.
- Continued **HEE Star training**, which uses evidence based good practice for transforming ways of working, to over 525 delegates.
- **Applying HEE Star methodology** through workshops addressing workforce challenges including Children and Young People; Community; Pharmacy; Neo-natal; Digital, Data and Technology.

HEE continued to deploy Workforce Development funding. The second round of reports show a continued shift towards cross professional, cross system, project activity. In addition, HEE:

- Commenced recruitment of regional **"Psychology of Workforce Redesign" Fellows** with four now in post to deliver behavioural change support for ICSs; three further fellows are due in early 2023.
- Worked with NHSE on engagement and the education offer for the **General Practice Assistant** role as an important contribution to supporting winter pressures in primary care.
- Led the **Skills Mix, Competences and Career Framework** for NHSE's **Building Outstanding Theatre Teams** programme with three sites identified for further roll out of Clinically Led Workforce and Activity Redesign (CLEAR) methodology.
- Created a **medical distribution toolkit** including commissioning and sharing resources.
- Developed the **skills mix and productivity chapter of the LTWP**, with qualitative and quantitative modelling and engagement with national programmes and think tanks to test emerging themes and Health Impact Assessments (HIAs).

2. Adapt education and training to help the workforce become digitally competent and confident and embrace new technology.

We deliver this objective through several areas of work, including:

- **NHS Digital Academy** - addresses digital skills needs across the health and care system. The PGDip in Digital Health Leadership is the foundation for an expanding Digital Academy service which includes Topol Digital Fellowships. There are now 50 more fellows completing learning and 500 change leaders through the Digital Health Leadership programme.
- **Board engagement** - the Digital Boards programme, with NHS Provider partners, has impacted over 120 Trusts and delivered 80 bespoke board development sessions. This is being extended to ICBs.
- **The Knowledge for Healthcare Learning Academy** - offers a range of accredited short courses about technologies and gaining confidence in applying them to meet evolving knowledge needs. There have been over **8 million page views** of British Medical Journal Best Practice, the HEE provided clinical decision support tool, supporting best practice and patient safety. This was an 18% increase over 2021-22.
- **Postgraduate training** - HEE and the National School of Healthcare Sciences have recruited to a pilot of the first module of the **Postgraduate Certificate in Clinical Data Science**, developed with the University of Manchester

Performance Report

Performance Analysis

- **Blended learning** - HEE commissioned blended learning programmes in nursing, midwifery, medicine, and global health that use innovative technology to deliver education. The first cohort of students have completed their course and one has already secured a role as a digital nurse.

HEE's Technology Enhanced Learning function is changing how the workforce through evidence-based guidance and support and access to platforms, content, and educational technologies. This includes simulation, immersive and learning technologies, platforms providing learning and development, expert, content development, and encouraging innovation and best practice spread through Virtual and Hybrid Learning and Simulation Faculties.

3. We will expand advanced practice opportunities to build multi-disciplinary teams and a more flexible workforce.

HEE continues to support professions to participate in advance practice training. An important new addition to promote flexibility in learning is the recent launch of an e-Portal to support nurses with advanced practice training. This was rated as Amber at Q3, however, because of more flexible training options, the plan for 2022-23 was met.

4. Further strengthen the training, learning and development for support staff and volunteers.

Since October 2021, 282 volunteers across 33 organisations (NHS and third sector) were accredited with the National Volunteer Certificate (NVC). A further 66 organisations have shown an interest and are at various stages of rolling it out to their volunteers. By December 2022, 180 NVCs were accredited, exceeding our target of 120. In addition:

- The **NHS Ambassadors** milestone is progressing to plan, an independent evaluation is being undertaken by Rocket Science and is due to be completed in Spring 2023.
- HEE worked with Helpforce to develop a **Volunteer to Career (VtC)** programme. Three trusts are in phase three of the programme, which means they have delivered training, recruited volunteers and are now making the case for scale and spread. A further 10 trusts have begun phase one and a further 15 are due to be funded to backfill clinicians working with local Voluntary Service Teams.
- **All Access to Medicine** summer programmes for 2023 have been awarded and student recruitment is under way.

Discovery work is nearing completion for an end-to-end digital solution to advertise, apply, process, and deliver e-learning for all ages, which will raise awareness about the variety of roles. The insights will provide a better understanding of user needs and value around online learning content.

Strategic Priority: Quality

Our goal is to assure and deliver with partners, quality education and training that is rigorous, highly sought after and future focused. There are three objectives aligned to this goal:

1. Embed our Quality Strategy and Framework to drive a more consistent and systematic approach to quality assurance, and improvement.

HEE continues to make strong progress, underpinned by promoting good practice, identifying what good looks like and supporting national and regional improvement planning. This includes developing good governance processes to raise and escalate concerns and support ICSs developing quality agendas.

Detailed Curriculum Guidance for levels 3-5 of the Patient Safety Syllabus have been produced and a training programme is being rolled out. Individual accreditation and training for all patient safety specialists is anticipated to commence in Spring 2023.

A business case to develop a Quality Management System has been written and is hoped to progress in 2023, following cabinet office approval.

Performance Report

Performance Analysis

2. Enhance the quality and safety of maternity services, by delivering the planned future workforce and ensuring the quality of their training.

This continues to be delivered as planned, underpinned by the national thematic review of education and training in maternity services and the experience of learners.

One of the main outputs of the thematic review of student midwives across the 49 universities who deliver midwifery training was a **Safe Learning Charter** for midwifery learning environments. It will promote safe and inclusive learning environments and improved student experience, wellbeing, and retention.

Following the publication of the Ockenden report, we developed a suite of e-learning resources to support ongoing training and development. HEE is also on track to deliver the training place expansion target and is funding Return to Practice (RtP) Midwifery training and a shortened training programme for adult nurses wishing to develop their career in midwifery.

The report into the maternity failings in East Kent and the All-Party Parliamentary Group report on safe maternity staffing (October 2022) increased demand across the Maternity and Neonatal side of the programme meaning we paused and re-prioritised other activity.

3. Ensure the learner voice is heard and acted upon by using data and insight to measure, monitor and improve the quality of the learner experience.

The National Education and Training Survey (NETS) closed in November 2022. The questions included a greater focus on learner health and wellbeing, equality, diversity and inclusion and profession-specific questions to understand the learner experience. The full report was published in January 2023. It enables ICBs and individual organisations to understand their local results and provides benchmarking to enable them to understand where they are doing well and identify potential areas for improvement.

The key national headline messages from the 2022 survey were:

- 74.4% of learners rated their overall learning environment and culture as positive.
- 72.0% of learners felt their learning environment supported and empowered learners.
- 60.9% rated positively the delivery of curricula and assessments.

HEE also shared the feedback with providers to support self-assessment and improvement and provided a pathway for learners to escalate concerns together with national thematic reviews.

Strategic Priority: Cross Cutting

There are two priority objectives which span several areas of HEE business, these are reported under the “Cross-Cutting” theme.

1. We will strive to reduce health inequalities and create a health workforce representative of the population it serves.

Activity includes:

- Managing a **national work experience network** supporting peer learning and knowledge sharing, with circa 500 members.
- Supporting apprentices to prepare for study/functional skills which shows good outcomes.
- Managing and promoting a **resources catalogue** crowd sourcing content from across the country.

We led regular peer networking sessions as an informal space for NHS colleagues to communicate and collaborate, supporting the development and delivery of Work experience and Work-Related Learning.

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2. Restoration and Recovery of Education and Training.

HEE delivered whilst continuing to recover its Business-as-Usual activities post pandemic. Restoring and recovering education and training included:

- Establishing pathways with partners to accelerate **digital staff passporting** which upscales portability agreements to improve the achievement of curriculum competencies.
- **TEL** has established several programmes and existing services which support training recovery.
- We advanced the workforce's capability to learn and adapt to **rapid changes in technology** including digital, artificial intelligence, and robotics.
- Case studies **showcasing training recovery interventions**, including trainee voice as evidence.

The **Annual Review of Competency Progression** (ARCP) data for 2021-22 is completed. The data for 2022-23 will not be available until August 2023. The position in December 2022 showed:

- **Outcomes requiring extensions** (3 and 10.2 combined) are higher than pre-pandemic (3,116 in the last academic year, 2,272 in 2018-19)
- **Trainees at risk of extension** (2 and 10.1s combined) are significantly lower than the two pandemic years but higher than pre-pandemic.
- There remains a **more extensions or at risk** compared to pre-pandemic levels, which is indicative of ongoing COVID impact on training.

Foundations of Success

To support the delivery of our strategic goals, HEE identified seven Foundations of Success.

1. Best Place to Work - we will collaborate to maximise our individual and collective potential by becoming a great place to work.

HEE's attendance target of 96.6% has been continually exceeded since January 2018 in all areas, and reached 97.3% for Q3, largely attributed to changed ways of working following the pandemic.

Retention also increased strongly by 6 percentage points since March 2022 (91.7% to 98.2%). The December position was 98.2% against the 80% target.

This trend is likely a reflection of the UK job market and improved satisfaction and greater engagement through the Best Place to Work programme.

Stay Well (part of Best Place to Work) helps HEE promote a positive, healthy, and safe environment for colleagues. To help with the uncertainties through transition to the new NHS England we provided a suite of resources and training opportunities to colleagues.

2. Continuous Quality Improvement - we will operate a culture of continuous improvement in the delivery of our priorities.

A culture of continuous improvement underpins HEE's activities. Our Plan on a Page outlines key areas of development activities, including engagement with NHSE's service improvement colleagues to ensure workforce, training and education is included in NHSE's Delivery and Continuous Improvement Review.

Our Healthcare Project and Change community of practice has grown to just over 1,200 professional members, with online conference and events to raise awareness and understanding of project delivery professions and guest presenting at external events. A new Storytelling Community was established which is a powerful mechanism for implementing change.

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Other activities have included project, change, benefits management, and performance intelligence support across HEE. The ongoing development of HEE's performance dashboard and Regional Improvement Forums have provided opportunity to review performance delivery, identify risks and issues and promote learning and sharing of best practice.

3. Governance & Decision Making - we will be well governed with fair, timely, inclusive, and evidence-based decision making.

We worked to close and transfer board and Board Assurance Framework (BAF) responsibilities into the new NHSE.

4. Digital First - we will engender the right culture, environment, and support to enable all HEE staff to create the best digital services for our users.

HEE launched Digital First focussed on User Centred service design. Highlights include:

- Designed, tested, and delivered a User Centred Design (UCD) self-managed learning programme and digital best practice to 6 cohorts of HEE colleagues with a satisfaction rate of 98%.
- Researched, designed, and tested several workshops, coaching programmes, and self-managed learning products.
- Provided coaching support to the Clinical Placements Management National Discovery, ensuring it is run in a best practice way.
- Set up a community of practice for user centred design and agile practitioners.

The pace and scale of activities needed to be reprioritised because of capacity constraints. It is hoped, following transition, we can enable the programme to deliver its full ambitions.

5. Partnership, Cooperation and Collaboration - we will work with partners to deliver shared priorities to improve the NHS.

The new NHS Operating Framework sets out how NHS organisations will collaborate and cooperate when the new NHSE is established and how NHSE will work with the new ICBs/ICPs. During this transition year HEE worked extensively with NHSE to bring education and training into the new NHSE and help to create greater synergy across the Long-Term Plan (LTP), elective recovery plans and to inform a new Long-Term Workforce Plan (LTWP).

In advance of the merger HEE published guidance on how regions will collaborate with ICSs based on the ten ICS people function outcome areas within an 'all levers-all levels' integrated planning framework.

6. Value for Money - we will spend money wisely to achieve our intended outcomes.

This objective was rated Amber during the year due to large under spends emerging, however, through early identification and the 2022-23 pay rise the final budget position is now rated Green. The accounts section of this report highlights the main variances to the financial plan and other sections within the performance analysis highlight where there has been under delivery of the METIP and mitigating actions.

7. Sustainability - we will have regard to sustainability in relation to our use of resource.

Activity undertaken to inform HEE's Sustainable Development Management Plan was used to inform our transition to the new NHSE and ensure the priorities will be carried forward. We continue to support teams in understanding their environmental impact and take steps towards best practice in sustainability, a particular highlight is the developing learning outcomes for a Sustainability e-learning module.

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Innovative routes to workforce growth and development

Harnessing Digital Technology for Workforce Development, Education and Training

We worked to re-shape education, training and workforce redesign by putting in place the building blocks which enable the system to build digital capability, maximise new technology benefits and develop a 'digital first' culture. Work includes:

- Our TEL Learning Hub combined eLearning for healthcare (eLfh) and Digital Learning Solutions with additional community-sourced content, to become one of the biggest services of its kind in the world.
- The Virtual and Hybrid Learning Faculty to develop and inspire blended learning programmes.
- Working with partners on a continuing professional development (CPD) procurement framework, including blended learning critical care training yielding potential system savings upwards of £24m.
- The Clinically Led Workforce and Activity Redesign (CLEAR) programme trained frontline clinicians in data analysis and service modelling to help deliver change programmes.
- The NHS Knowledge and Library Hub provided seamless access to NHS-funded and curated digital knowledge resources.
- Providing the clinical decision support tool, BMJ Best Practice, for all staff and learners with evidence summaries and evidence-based patient information leaflets, 24/7, by app and online
- The NHS Knowledge Mobilisation Framework equips teams to capture and share staff know-how and organisational knowledge.
- Informatics Skills Development Networks (ISDNs) have been established across all regions.
- The NHS Digital Academy provides learning products for digital experts (circa 46,000 in the NHS) and those who require digital knowledge and expertise, e.g., clinicians supporting digital change. The flagship Digital Health Leadership programme has helped develop over 500 digital change leaders.

Global Health

Global Health Partnerships seeks to strengthen our health systems and services through multilateral, mutually beneficial, partnerships focused on workforce improvement through three strategic offers.

Offer to NHS Staff - Education and Learning for the NHS Workforce

The **NHS Global Fellowship Programme** offers reciprocal leadership development opportunities for staff to experience health systems across the globe. Fellows focus on quality improvement, research or clinical projects, co-developed with partners to enhance patient experience, improve health outcomes and reduce health inequalities. Returning Fellows demonstrate new skills, improved motivation and resilience, contributing to career progression and retention. Last year 74 Fellows commenced placements across 15 countries.

Development of best practice

We brought together volunteering toolkits and case studies into a Global Hub which highlights best practice and showcases local programmes such as TALENT. TALENT pilots an innovative approach to leadership development through online communities of practice. 18 virtual groups have been established across six countries - England, Ethiopia, Nepal, Zambia, Somaliland and St Vincent and the Grenadines.

Development of Global learning outcome framework

We worked with Skills for Health to create a global health learning outcomes framework which identifies the CPD which NHS staff can gain from global health activities. Employers can use it to identify and evidence learning and by providers of global health learning opportunities to benchmark their activity.

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Offer to NHS Systems - Educational Migratory Pathways into the NHS

An offer to the NHS system in England, through mutually beneficial partnerships which benefit the NHS. Ethical Migratory Pathways

We facilitate international recruitment capacity and capability programmes for NHS providers and ICBs including ethical, sustainable, education-based migratory pathways, focussing on areas of oversupply with equivalent professional standards. Pilots delivered targeted outcomes in: Podiatrists, newly qualified and experienced paramedics, diagnostic radiographers, and emergency medics.

Managed Educational Partnerships

We achieved our plan to deliver two Managed Educational Partnerships (MEPs) which support NHS and global workforce strengthening. Utilising the Globalised HEE Star for workforce transformation with ICSs. We brokered a partnership between West Yorkshire Health and Care Partnership, to collaborate on the international supply of registered Mental Health practitioners, with the Ministry of Health in Saint Vincent and the Grenadines around increased demand for Mental Health services and values-based recruitment to support Elderly care services.

United Kingdom Overseas Trained Nurses (UKOTN) Project Phase II

Following the success of the initial UKOTN English Language Project where 562 OTNs were supported to meet NMC English language requirements, we rolled out a second phase. We funded a further 383 OTNs, with first examination results due at the end of April.

Offer to Global Partners - Global Health System Strengthening Global consultancy and knowledge exchange

We facilitate mutual health system strengthening for other health workforces using NHS expertise. Working with the FCDO and WHO these projects and programmes are externally funded. In March 2023, HEE's Global Health Partnerships Directorate was accredited as a WHO Collaborating Centre on Human Resources for Health in Europe, formally recognising the contribution of the team.

Technical Collaboration & Consultancy (TCC)

We are building on successful collaboration to create new health system strengthening partnerships. TCC hosted, with WHO HQ, EuRO, AfRO and Salford University, a community of practice event with over 45 International attendees as part of the Year of the Health Care Worker capability programme.

NHS Consortium for Global Health

The Consortium for Global Health provides access to expertise from the UK's national health bodies. With oversight from DHSC, the Consortium aligns with UK government strategy to foster peer-to-peer health partnerships with partner countries to strengthen health systems and advance health protection and equity. We continue to secure partnerships in countries across African and ASEAN regions.

Apprenticeships

HEE is influential in national apprenticeship networks including the St Martins Group; Apprenticeship Ambassadors; Industry Skills Board; Institute for Apprenticeships; and Technical Education Trailblazer Advisory Group and T levels Action Groups. We harness learning from employers, professions, education and wider to deliver sustainable policy change which supports levelling up, widening participation and its impact on social mobility and inclusion.

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Since the national apprenticeship reforms, we have seen over 114,000 people start their learning journey with the NHS. This year has seen the highest apprenticeship starts with nearly 26k apprentices starting, with the highest NHS apprenticeship levy spend yet, and a strong future forecast.

The most popular apprenticeship standards are Registered Nurse, Nursing Associate, Senior Healthcare Support Worker, Health Care Support Worker, and Business Administrator. We continue to develop new standards, including Peer Worker, Medical Doctor and others in development like Dental Hygienist.

We have seen growth across the NHS, including primary care, with levy transfers within the NHS and from other industries to help smaller bodies (who do not pay the levy) such as GP practices.

We have led the growth of Registered Nurse Degree Apprenticeships (RNDA) to help meet the 50k nursing commitment. This programme will deliver over 5,000 Registered Nurses up to Spring 2024, (the initial target was 1400), with over half of them progressing from assistant or associate roles, completing shortened degrees programmes through the apprenticeship route.

We have also supported employers in technical solutions such as system-wide procurement, provider levy transfers, and levy transfer partnering with c£50 million transfers into health and social care apprenticeships brokered.

We support employers to implement degree apprenticeships, enabling career progression and sharing best practice from those who overcame affordability challenges. We worked with NHSE, DfE and DHSC on a sustainable NHS apprenticeships strategy, feeding into the forthcoming Long-Term Workforce Plan. As part of this, we are providing ongoing advice and support to DfE to define the Health T level offer.

We support ICBs and apprenticeship leads to understand local needs and apprenticeship strategies to build an overview across the NHS. This aims to implement apprenticeships as part of local workforce plans and maximise the levy including transfers.

We encourage employers to target underrepresented groups to widen participation and develop inclusive approaches to implementation. Currently 17% of our apprentices are from ethnic minorities compared to 25% in the broader NHS workforce. To increase options for widening access and attracting more students, we are moving to an easier and more consistent approach to recognising prior learning.

Talent for Care has commissioned work to establish common recognition of the Senior Healthcare Support Worker apprenticeship for entry to higher level nursing, midwifery, and other healthcare programmes. This should enable student choice and be aligned closely with entrance requirements. We want universities to work with employers to develop and deliver apprenticeships; widen access to health careers; maximise the opportunities afforded by apprenticeships; support people not following a traditional path; and embrace new qualifications at Level 3 to aid progression to higher education.

We continue to grow our Quality Networks and collaborate with universities, providers and Government to ensure quality, best practice and access for clinical apprenticeships with Institute for Apprenticeships and Technical Education (IfATE) and Education Skills Funding Agency (ESFA), Ofsted and Ofqual.

Our support for further study readiness, improving literacy, IT, numeracy, and functional skills helps reduce one of the blockers for apprenticeship success. Over 20,000 learners have accessed our functional skills tool and we continue to run sessions for employers in Skills for Life planning.

This includes access to functional skills; digital skills through our Digital Champions; English for Speakers of Other Languages (ESOL) strategy growth and supporting those with international qualifications to get recognition for prior learning through our contract with the UK National Information Centre for the recognition and evaluation of international qualifications and skills (ENIC) allowing employers to check the UK equivalence of overseas qualifications.

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Widening Access and Participation (WAP)

WAP focusses on striving to reduce health inequalities and create a health workforce representative of the population it serves.

Project Choice

Project Choice continued to support students with additional needs in 22 local sites. Our completion rate for 2021-22 was 91%, 58% of whom transitioned to Employment, Volunteering or Apprenticeships. 13% were seeking jobs and 29% transitioned into further education. Plans are underway for 3 additional college sites, in Lincoln, Birmingham and the Northwest.

Prince's Trust (national programme aimed at bringing 10,000 young people into employment within the health and social care sectors by 2024)

HEE continued to work with Prince's Trust and DHSC to deliver the National Health and Care Princes Trust employability programme. By December 2022, over 3,200 young people had successfully applied for health & care jobs, with over 80% sustaining employment for over three months. The programme is widening access and participation with 42% of participants from BAME backgrounds and 25% recruited from indices of multiple deprivation decile 1 (IMD1) postcodes.

Step into Work (SIW)

HEE is working with the Department for Work and Pensions (DWP) on an NHS designed employability programme for adults aged 19+ in receipt of working age benefits. Contracts have been awarded for 9 new organisations and Cohort One was extended a further year to support delivery. SIW has reached around 900 long-term unemployed and marginalised individuals with over 50% completing which is higher than the average completion rate for this hard-to-reach group.

Development of Pre-Employment platform

HEE is developing an end-to-end digital service to coordinate work experience. The discovery evaluation whilst successful, with satisfactory participation from all three user groups, but demonstrated the need for more data to show effectiveness. Once obtained, the project can move onto the Alpha stage.

Access to Medicine

Since 2013 HEE has supported over 5000 WAP young people in residential or virtual summer school outreach activities with an average of 80% of participants moving into healthcare professions, with around 70% from a BAME background. Programmes continue successfully with:

- The Sutton Trust - 50 students.
- Social Mobility Foundation - 300 students.
- Medical Schools Council - 443 students for medicine and dentistry.
- Future Quest

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Other WAP workstreams

- A Work Experience Quality Standard supports organisations to quality assure placements. 9 organisations have been awarded the “Work Experience Quality Standard Award”, 6 are being assessed and a further 32 have expressed an interest in applying.
- The National Work Experience (WEx) Network has continued to develop and now has a membership of c480 NHS staff members across over two hundred NHS organisations. The suite of live events has expanded, reaching nearly 3,000 NHS staff.
- The National Work Experience Resource Catalogue now catalogues 430 resources to support health and care employers with the development and delivery of online work-related learning content.

Volunteering

HEE is focused on strengthening the training, learning and development for support staff and volunteers:

Volunteer to Career programme

28 organisations were awarded £25,000 each to deliver the Volunteer to Career programme, with HEE’s partner, Helpforce. There are 3 cohorts with results due for Cohort 1 in June 2023. Our aim is to raise the profile of volunteering, ease volunteers into careers to combat shortages and meet local clinical recruitment needs and build a skilled potential workforce who may not have considered an NHS career.

NHS Ambassadors

NHS Ambassadors continued the Inspiring the Future programme with over 6000 volunteers attending events at primary and secondary/Colleges#, including specific local and profession events. We also ran a national campaign for Human Resource Directors (HRDs) to raise the NHS Ambassador profile.

An independent evaluation showed all attendees were motivated by their passion for the NHS and concern about recruitment and retention and wanted to help young people make career choices. However, it also found some ambassadors felt ‘lonely’ in the role and there was concern about a lack of physical materials at in-person events.

National Volunteering Certificate (NVC)

The NVC continues to grow and lead volunteer learning and training, with 35 organisations in the NHS and third sector awarded accredited certificates to their volunteers and many more at various stages of coming onboard. In 2022-23 we awarded 225 accredited awards, exceeding our target.

The E-Learning modules are also widely used with nearly 13,000 enrolments on the E-Learning for Health programme, with 10,000 active users. We believe this puts NVC in an excellent place to become the flagship standardised learning programme for volunteers across all sectors in the UK.

Clinical Pastoral Education (CPE)

This CPE pilot provided learning and development to healthcare chaplains. The pilot has concluded, and feedback was highly optimistic about its impact on the chaplains and evaluation is ongoing to assess the continuing long-term impact of CPE on staff and patients.

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Corporate Social Responsibility

HEE colleagues continued promoting, supporting, and celebrating a wide range of charities and causes giving their time and raising thousands of pounds for charities. Our Learning and Development Policy encourages colleagues to aid their personal development and make a difference to local communities. We promoted this through our Volunteering Network, a 'Here to Volunteer' Yammer page, a microsite, HEE Connect, Best Place to Work, the Learning and Development and Health and Wellbeing Hubs.

We are extremely proud of our colleague's charitable and volunteering work, continually celebrating and promoting them internally.

Respect for Human Rights

Over and above our statutory responsibilities, in accordance with the NHS Constitution, we are committed to respecting and promoting the human rights of NHS patients, staff, stakeholders, and communities in which we operate. We strive to maintain the highest standards of quality in our work and in the employment and learning environments that we support and provide.

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Sustainability and Environmental Matters

The delivery of HEE's objectives must meet the needs of the present generation without compromising the needs of the next, so it is vital that sustainability is integrated into all we do. HEE and other NHS organisations are working towards a greener NHS target of net zero carbon emissions by 2040, and an 80% reduction by 2028 to 2032, for the emissions we directly control, and for the emissions we can influence, net zero by 2045, with an ambition to reach an 80% reduction by 2036 to 2039.

The NHS is the world's first health service to commit to reaching net zero carbon emissions.

Activity undertaken to inform the development of HEE's Sustainable Development Management Plan was used to inform our transition to the new NHSE and ensure the priorities will be carried forward, however a plan was not published in 2022-23. During the year we continued to support teams in understanding their environmental impact and take steps towards best practice in sustainability, a particular highlight is the development of learning outcomes for a Sustainability e-learning module which will be taken forward within NHS England.

Direct and indirect emissions from energy, water and other resources

NHS Property Services is the landlord for most HEE offices. At the present time we are unable to provide total expenditure on direct and indirect emissions from energy, water and other resources during 2022-23 and we as we transition into NHS England we will continue to work with NHS Property Services and our other landlords to obtain costs and unit measurements for future reporting requirements. There was no investment in carbon offsetting.

Travel and Transport

We have an ongoing aim to reduce our business travel, limiting journeys wherever possible, and encouraging the use of more sustainable modes of transport or technology. Minimising our business travel improves the quality of local environments, reduces carbon emissions, delivers cost savings, and benefits staff health and wellbeing.

HEE's carbon emissions from business travel in 2022-23 were 273.73 tonnes of CO₂, determined as set out in the table below:

Consumption type	Miles	Carbon Emission (tonnes of Co2)
UK domestic	9,987	2.3
Short Haul International	41,559	5.48
Long Haul International	203,285	193.02
Travel by train	2,052,769	72.85
London Underground	2,718	0.08

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Performance Analysis

Waste & Recycling

Waste can present significant risks to the health and safety of staff, public, and environment. So, it is essential that we aim to segregate, handle, transport and dispose of all our waste safely. We aim to reduce our total waste, and where the waste is unavoidable, we will aim for the most sustainable route available. We try to manage waste consistently across our estate, whilst recognising that some local variance may be necessary to reflect building/ landlord arrangements. HEE has not been responsible for the procurement of any single use plastics to support the operation of any of our buildings and their facilities, however these may have been provided in some instances by building management.

In 2022-23, HEE purchased and used 629 A4 equivalent reams of paper. There is no baseline data from previous years to compare this to.

Of the waste produced by our ICT activities, six tonnes were reused externally and six tonnes were recycled.

Procurement

We aim to realise sustainable development through procurement and contracting. Taking responsibility for our actions and decisions contributes to a healthier economy and adds to our attractiveness as an employer. We adhere to the Chartered Institute of Purchase and Supply (CIPS) ethical code and use the UN guiding principles to promote sustainable growth across supply chains. We pay suppliers fairly, consider labour market practices, human rights, the environment, and the socio-economic community when procuring, and reduce waste. We also seek to procure services ethically, above and beyond our legal obligations and promote traceability and transparency of supply chains.

Our Commercial Team works with key partners and suppliers to promote sustainability and achieve a green supply chain. Sustainable procurement processes ensure we achieve value for money on a whole life basis to generate benefits for HEE, the economy and society. Relevant legislation, such as the Social Value Act 2012, Equality Act 2010, and Modern Slavery Act 2015 are considered to ensure we use ethical suppliers. All Commercial team members have completed courses on social value in procurement to reinforce best practice.

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HEE's core purpose is to work with partners to plan, recruit, educate and train the health workforce. We invest in courses and allocate monies for Continuing Professional Development (CPD) opportunities for all staff at every level. We pay clinical placement costs for all students and trainees as well as provide back-fill, tuition and salary support payments for some professions. We spend to design courses, buy equipment, support learners and educators and deliver online education.

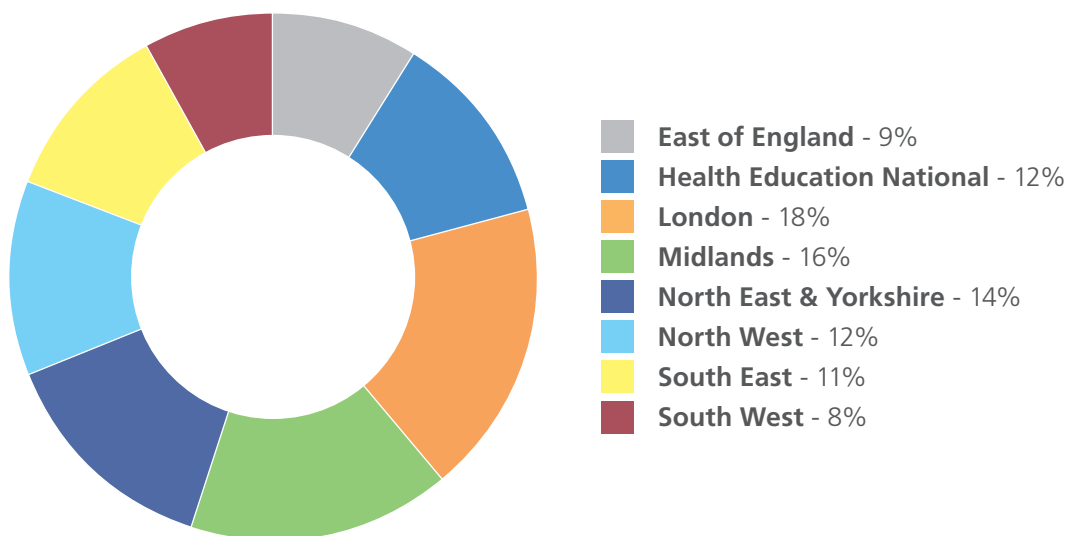
As such HEE contributes to the education and training costs within Trusts, Higher Education Institutes, GP surgeries, dental practices and many voluntary and private providers.

The financial statements show comprehensive net expenditure for the year of £5.3 billion (2021-22 £4.8 billion) which represents a £3.6 million (0.07%) underspend against budget.

Our expenditure is categorised into several distinct areas; the majority focussed on Future Workforce, which includes Undergraduate Medical and Dental, Post Graduate Medical and Dental and Clinical Education and Training, developing the healthcare professionals of the future. In addition, spend is allocated to Workforce Development where we fund activities to support the future needs of our existing workforce. Other areas are National Programmes that support workforce initiatives which are then operationalised in our regions. The remaining resources are used to provide support to our postgraduate medical and dental trainees (Education Support) and the organisational Running Costs.

The graphs below show how HEE invested its funds across our 7 regions and nationally within these categories.

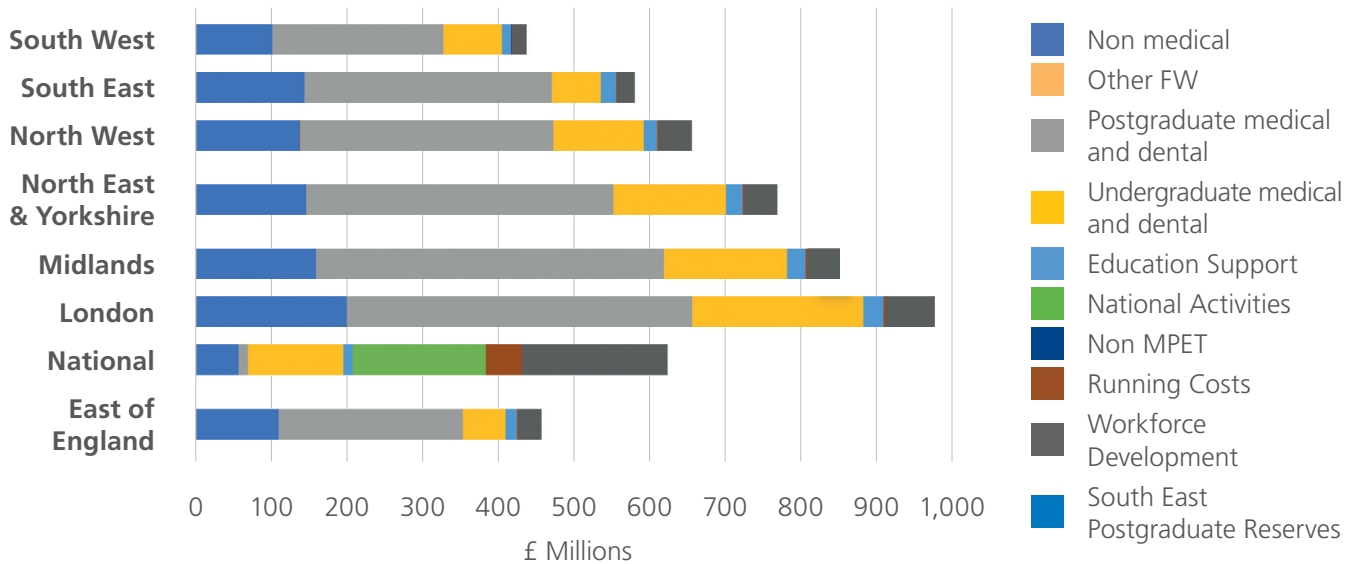
% allocation of HEE net expenditure by region 2022-23



Performance Report

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Allocation of net expenditure across categories by region 2022-23



Capital expenditure has resulted in an underspend of £4.4 million against the £6.2 million budget (£2.1m capital expenditure, £4.1m for right-of use assets under IFRS 16). Of this underspend £0.72 million was a result of reduced investment in our estate whilst property lease arrangements are reviewed to determine the appropriate models to support future ways of working following the merger with NHSE England. The balance was due to several lease renewals being deferred resulting a reduced right-of-use asset being recognised in the year.

Cash balances remains strong; and the closing cash position reflects £4.3m underdrawn against our allocation.

Key Highlights:

Revenue Resource
Limit Underspend
£3.6 m

Capital Resource
Limit Underspend
£4.4 m

Cash Limit
Underdrawn
£4.3 m



Performance Report

Financial Overview

Finance, Funding and Commercial Updates

Multi professional Education and Training investment Plan (METIP)

The METIP sets out the planned education and training activity, across all professions which HEE plan to fund in the following financial year. HEE funding supports clinical placement capacity through education and training tariffs, commissioned education and training programmes and salary support for education programmes undertaken whilst learners are employed in the NHS.

Funding policy is set corporately working in collaboration with NHSE and DHSC. The Secretary of State retains responsibility for the approval of the Education and Training tariff. The education activity is established through collaborative assessment of the local education demand and nationwide education capacity within the context of strategic education demand where there are national Long Term Plan or recovery commitments or strategic professional plans such as the Nurse 50K programme. The METIP must be affordable within the allocation of funding received by HEE.

METIP planning activity during 22-23 built on learning from the first METIP process in 2021-22 with the development of one nationwide standard list of education programmes with associated funding policy and a process which ensured first an understanding of the national programme priority context informing comprehensive local education demand and capacity plans led by HEE regional offices. This was a step change in ensuring integrity of funding policy, accuracy of planning and engagement of ICBs through Regional work.

Education Tariff

2022-23 saw implementation of significant education tariff changes including the removal of the so called 'undergraduate medical out of tariff payments' to universities. Work during 22-23 has focused on developing the programme of comprehensive funding reform from 24-25 and thus keeping any change in the meantime to a minimum.

NHS Education Contract

The NHS Education Contract is in its second year of existence. The contract is due to be refreshed from 1 April 2024 and work is in hand to do this, within the context of the new NHSE. It has been established that there will be an ongoing need for this specific NHS Education Contract due to the specific nature of the activity requirements it funds and associated quality duties.

Long Term Workforce Plan

NHSE was commissioned in 2022 to produce a Long-Term Workforce Plan. The plan has been jointly developed across NHSE and HEE. When published, the plan will provide a medium to long term context against which future education and training investment plans can be considered.

Performance Report

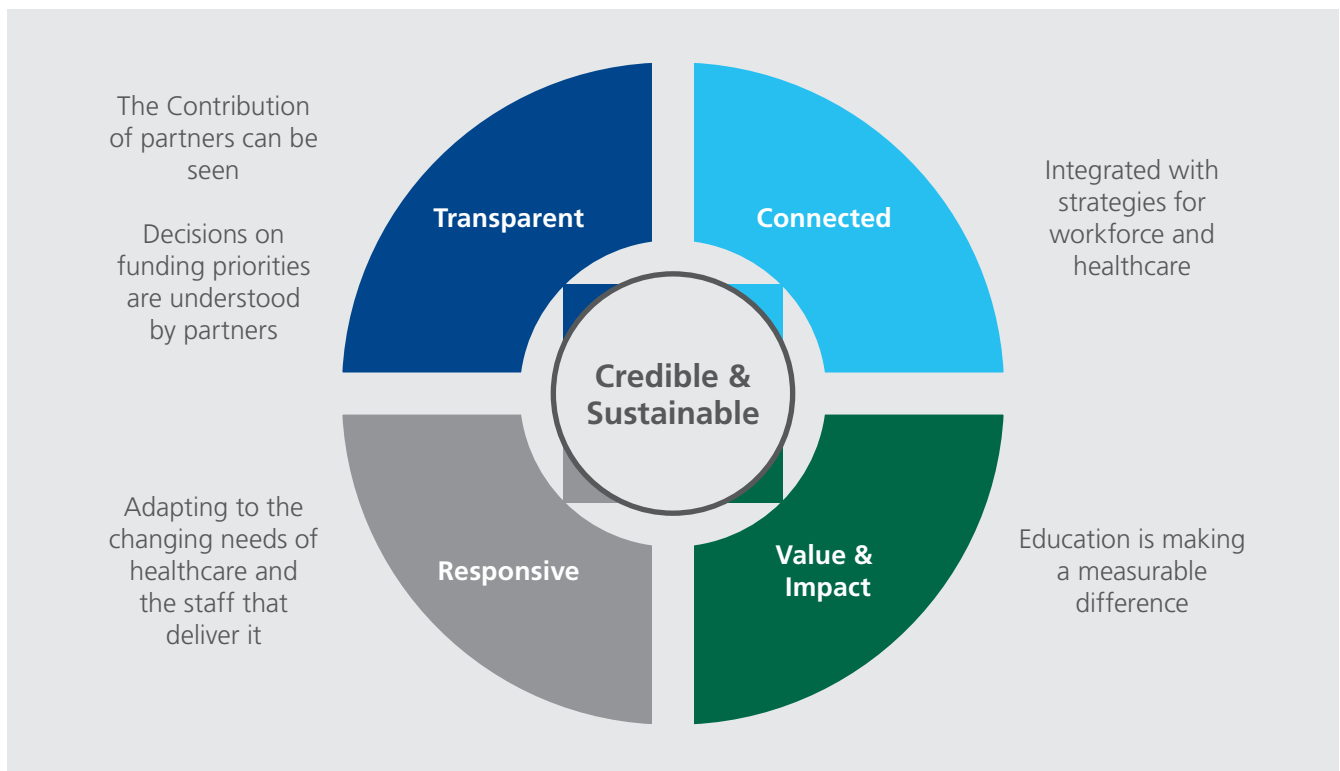
Financial Overview

Education Funding reform programme

The education funding reform programme established in 2022-23 will continue a programme of phased activities with a view to setting out recommendations for education funding policy for implementation from 2024. The next phases of the work include a deep-dive review of nominated whole Systems (ICS) and feasibility and options review. Each of the elements from the deep-dive discovery phase will be combined to enable work to be undertaken with stakeholders to consider and explore how education and training funding reform can be used as a lever to deliver on the true needs of the system, including effective and efficient delivery of high-quality professionals, alongside high-quality educators, to support delivery of the new NHS England ambition of high-quality services for all.

The diagram below shows the agreed values underpinning this work programme.

The values that should underpin a new education funding strategy



Looking Ahead

DHSC received a multi-year spending review settlement covering the three financial years 2022-23 to 2024-25. As part of the new NHS England from 01 April 2023 we will continue to work closely with stakeholders to agree the education and training plans required for the remainder of this three-year period and beyond to support the needs of the service. This will inform the development of a multi-year education and training investment plan to support this financial settlement.

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Better payment and late payment reporting requirements

HEE is required to adhere to the Better Payments Practice Code (BPPC). This code requires all public bodies to pay suppliers/other NHS bodies within 30 days of receipt of a valid invoice. Currently the target set by the Department of Health and Social Care is 95%.

HEE's achievement in 2022-23 is as follows:

	Number of bills processed			Value of bills processed		
	Total number processed	Number within target	% within target	Total value processed £'000	Value within target £'000	% within target
NHS	6,168	5,732	93%	4,571,611	4,482,570	98%
Non-NHS	50,167	45,757	92%	784,537	731,538	93%

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

Accountability Report

This report sets out how we meet key accountability requirements to Parliament. It comprises three key sections:

The **Corporate Governance Report** sets out how we have governed HEE during 2022-23, including membership and organisation of our governance structures and how they support achievement of our objectives. The report includes the Directors' Report, the Statement of Accounting Officer's Responsibilities and the Governance Statement and starts from page 36.

The **Remuneration and Staff Report** sets out our remuneration policies for Non-Executive Directors and Executive Directors and how these policies have been implemented, including salary information and pension liabilities. It also provides further detail on remuneration and staff and starts from page 51.

The **Parliamentary Accountability and Audit Report** brings together key information to support accountability to Parliament, including a summary of fees and charges, contingent liabilities and the Certificate and Report of the Comptroller and Auditor General to the House of Commons. The report starts from page 76.

Accountability Report

Corporate Governance Report | Director's Report

The Chair and Non-Executive Directors were appointed by the Secretary for State for Health and Social Care and Executive Directors were appointed by the Board in line with the Care Act (2014) and HEE's Standing Orders.

During the year, Dr Liz Mear resigned her position as a Non-Executive Director in May 2022, following her appointment as Chair of the Kirklees ICB Committee. For the remainder of the year, Harpreet Sood took on Liz's Lead Non-Executive Director responsibilities for Freedom to Speak Up matters and Sir David Behan acted as Non-Executive Co-Chair of the People's Advisory Forum.

The Secretary of State for Health & Social Care appointed Sir Andrew Morris as a Non-Executive Director of HEE for 12 months, or until the disestablishment date for HEE, from 18 July 2022.

Professor Soraya Dhillon was reappointed as a non-executive director of Health Education England (HEE) for 12 months, or until the disestablishment date for HEE, from 1 September 2022.

Professor John Latham was reappointed as a non-executive director and Audit and Risk Committee Chair for 12 months, or until the disestablishment date for HEE, from 1 November 2022. John Latham also took on the responsibilities of Senior Independent Director, from Andrew Foster on 1 September 2022. Professor John Latham was reappointed as non-executive director on 1 November to 31 October 2023. The term ended on 31 March 2023.

Andrew Foster, served as a Non-Executive Director until he passed away following a short illness on 20 March 2023. Andrew was appointed to HEE's Board in 2019 and brought invaluable advice, scrutiny and support around major policy decisions. Until October 2019, Andrew was Chief Executive of Wrightington, Wigan and Leigh NHS Foundation Trust and his core interest was quality and safety, with a desire to learn from the best hospitals in the world. He led the successful application which resulted in the organisation achieving Foundation Trust status in 2008. After leaving the Trust he worked at NHS England for a period on delivery of the NHS People Plan, and was interim lead of the NHS Leadership Academy. He had previously spent five years as the NHS Director of Human Resources (Workforce Director General) at the Department of Health with principle responsibility for implementing the workforce expansion and HR systems modernisation set out in the NHS Plan.

Andrew was a hugely valued colleague on the HEE Board, his passion was people which shone through in chairing our People and Culture Committee. His focus on making HEE the Best Place to Work and his relentless support for equality, diversity and inclusion made HEE a better organisation.

Navina Evans, took on a single workforce leadership role across NHSE and HEE on 1 July 2022; during the transition period between July 2022 and April 2023 this role was jointly referred to as Chief Workforce Officer, NHS England and Chief Executive, HEE. The role of CEO of HEE ceased on transfer to NHS England and Navina became the Chief Workforce, Training and Education Officer.

Mark Radford, Chief Nurse and Deputy CEO at Health Education England, was appointed National Director for Intensive Support at NHS England on 1 November 2022. Mark remained HEE's Chief Nurse however stood down as HEE's Deputy CEO. Calum Pallister, HEE's Director of Finance, took on responsibility as Deputy CEO, between 1 November 2022 and 31 March 2023, working alongside David Farrelly who had previously been appointed as one of HEE's two Deputy CEOs.

Details of Board remuneration can be found in the Remuneration and Staff Report at pages 51 to 75.

Accountability Report

Corporate Governance Report | Director's Report

Register of Members' Interests

HEE is committed to openness and transparency in its work and decision making. Personal interests held by Board and Committee members are managed according to HEE's Standing Orders. We maintain and publish a Register of Members' Interests which draws together Board member's declarations of interest. Our Register of Interests is published on our website: <https://www.hee.nhs.uk/about/how-we-work/board-meetings-papers>

Board members are required to notify and record any interests relevant to their role on the Board. The Register is presented for review at each Board meeting, and in Board and Committee meetings, members are asked to declare any interests in relation to agenda items being considered, abstaining from involvement if required and to advise the Board Secretary of any new interests which need to be included on the register.

Details of related party transactions, where HEE has transacted with other organisations to which a Board member is connected, are set out on page 102.

The Board

HEE's Board members bring a wide range of experience, skills, and perspectives to the Board. They have strong leadership experience and together set the strategic direction of the organisation and ensure there is robust and open debate during Board deliberations.

The Board comprises the Chair, at least six Non-Executive Directors, the Chief Executive and four Executive Directors. The number of Executive Directors on the Board must not exceed the number of Non-Executive Directors. During the year seven non-voting Executive Directors regularly attended Board meetings.

Directors who served on HEE's Board and their attendance at this year's Board meetings are listed in the table at Annex 2 and biographical details may be viewed in detail on the website.

The Board has been supported in its assurance and oversight of HEE by twelve Committees. The Committees are part of HEE's formal governance structure and provide the Board with regular reports to support the Board focusing its time on strategic decision making whilst giving assurance that effective decisions are based on the right information.

The Committees are:

- Audit and Risk Committee
- Remuneration Committee
- Performance and Business Committee
- People and Culture Committee
- People's Advisory Forum
- Quality Committee

Committee Chairs report to the Board following each committee meeting, providing a formal written report from each meeting of the Committees to the Board. This supports the Board's oversight of committees' responsibilities being discharged effectively.

Board and Committee attendance by members is detailed at page 106 at Annex 2.

The Accounting Officer, as well as being a member of the Board, is informed of committee activity through discussions with the relevant committee chair and lead Executive Directors. The Chair and Accounting Officer reserve and exercise the right to attend all committee meetings.

Accountability Report

Corporate Governance Report | Director's Report

An overview of the Board and Committee framework is shown on page 39 and individual Committee reports, can be found on pages 40 to 44. The terms of references for each Committee are on the website as part of HEE's Standing Orders.

The Role of the Board

The Board is HEE's senior decision making forum. It has reserved key decisions and matters for itself, including strategic direction, overseeing delivery of the agreed strategy, the approach to risk, and establishing HEE's culture and values. They are set out in the Scheme of Delegation.

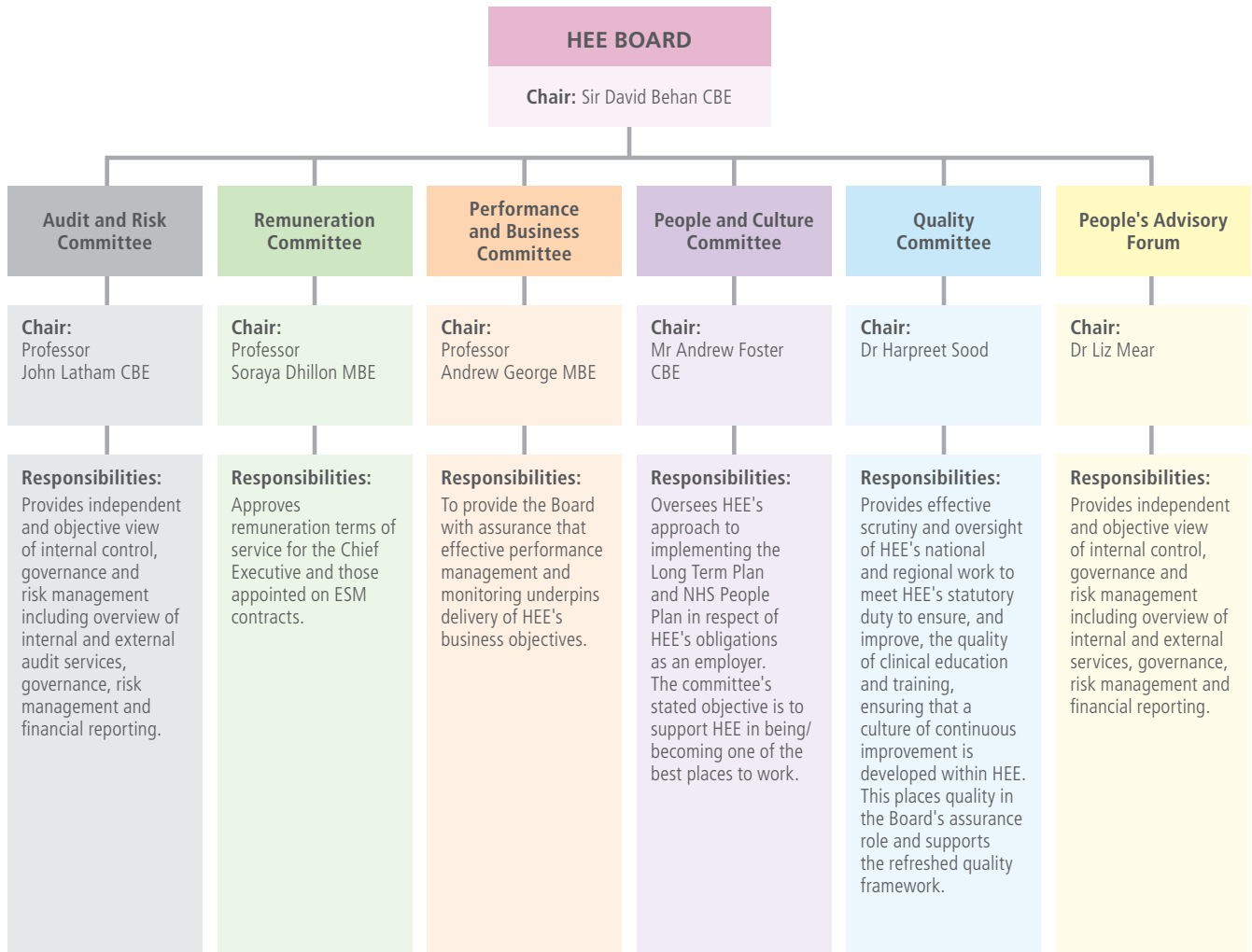
Key responsibilities to support its strategic leadership to the organisation include:

- approving the Business Plan and monitoring performance against it
- holding HEE to account for performance and its proper running (including operating in accordance with legal and governance requirements)
- determining which decisions, it will make and which it will delegate to the Executive via the Scheme of Delegation
- ensuring high standards of corporate governance and personal conduct
- providing effective financial stewardship
- promoting effective dialogue with government departments, other Arms-Length Bodies (ALBs), and stakeholders.

Accountability Report

Corporate Governance Report | Director's Report

Our governance and accountability structure for 2022-23 is:



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Corporate Governance Report | Director's Report

Audit & Risk Committee

The Committee's primary role is to provide independent and objective reviews and assurances of how HEE manages its systems of internal control, governance and risk management, this includes internal and external audit services and financial reporting.

During 2022-23, the committee met eight times. The Chair is Professor John Latham CBE, with three further Non-Executive Director members and two Executive Director members. The Committee is supported by the Board and Deputy Board Secretaries. Attendance at Audit and Risk Committee is available in Annex 2 at page 106, and additional attendees are invited to assist with Committee business. For 2022-23 these included:

- The Chair
- Chief Executive
- Director of Corporate Accountability and Engagement
- Deputy Director of Finance - Systems
- Head of Internal Audit (Health Group Internal Audit Service)
- Director responsible for Health Financial Audit at the National Audit Office (NAO).

The Committee has focused on reviewing HEE's risk profile, evaluating the effectiveness of HEE's control environment, assessing the integrity of HEE's financial reporting, consider any relevant reports from the NAO, commission and receive internal audit plans and reports and review activity of internal and external auditors, assure the Board that management responses to internal and external audit recommendations are implemented and oversight of HEE's arrangements for counter fraud.

Key activities of the Committee have been oversight of HEE's Transition to the new NHSE and reviewing HEE's Transition programme risks and issues, considered areas for review by internal audit and approving the 2022-23 work plan, assuring the process of 2022-23 Annual Report and Accounts delivery and safe transition to the new NHSE, review NAO reports on audit work, receiving reports at each meeting on risk, updates to the status of internal audit recommendations, financial controls and management of HEE legal cases and working jointly with the Performance and Business Committee on HEEs approach to value for money.

Throughout the year, the Committee has agreed it has reasonable assurance that the activity reported is supporting HEE's ability to deliver its objectives through continuous improvement; it's governance, systems of control.

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Corporate Governance Report | Director's Report

Remuneration Committee

The Committee's primary aim is to oversee and approve the appropriate remuneration and terms of service for the Chief Executive, Directors and other Executive and Senior Managers (ESM) on behalf of the Board. The Committee has delegated powers to act on behalf of the Board within the approved Terms of Reference.

All our appointments and arrangements for determining the salaries of our senior staff are carried out in accordance with processes set by DHSC and, where required, with the approval of the DHSC Remuneration Committee. The Committee adheres to all relevant legislation, regulations and policies in all respects including (but not limited to) determining levels of remuneration that are sufficient to attract, retain and motivate executive directors and senior staff whilst remaining cost effective. The committee's remit includes (but is not limited to) all aspects of salary (including any performance related pay elements) relating to the Chief Executive, Directors and others on ESM contracts and:

- provisions for other benefits, including pensions and cars
- arrangements for the termination of employment and other contractual terms
- ensuring officers are fairly treated for their individual contribution, having proper regard to HEE's circumstances and performance and any national arrangements for such staff
- proper calculation and scrutiny of termination payments, taking account of relevant national guidance,
- advising on and overseeing appropriate contractual arrangements
- proper calculation and scrutiny of any special payments
- oversight of the local Clinical Excellence Awards Process.

The Committee also has oversight of the local Clinical Excellence Awards Process. Clinical Excellence Awards are time-limited rewards payments available through an annual applications process to eligible consultant doctors, dentists and academic general practitioners.

HEE's Remuneration Committee is chaired by Professor Soraya Dhillon MBE. All HEE's Non-Executive Directors are members of the Committee. The Committee met three times during 2022-23, and considered matters by correspondence four times. A report of each meeting is provided to the subsequent public Board meeting, and copies of the full minutes are provided to all Non-Executive Directors. The Committee is supported by the Deputy Board Secretary and the Director of People and Culture.

Attendance at Remuneration Committee is available on page 106.

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Corporate Governance Report | Director's Report

Performance and Business Committee

The Committee's primary role is to assure the Board that effective performance management and monitoring underpins the delivery of business objectives. The Committee also highlights to the Board any performance-related issues which would benefit from the Board's consideration and strategic input. The Committee met six times and was supported by the Business Manager, Corporate Accountability & Engagement.

The Chair is Professor Andrew George MBE and there were three further Non Executive Director members. Member attendance is available in Annex 2 at page 106. Additional attendees are invited to assist with business. For 2022-23 these have included:

- Chief Operating Officer, and Deputy Chief Executive (Internal)
- Director of Finance
- Head of Information and Intelligence.

Over the year the Committee has received reports to be assured of the progress of HEE's performance management framework. It has also focused on the continued development of HEE's benefits management operating framework, an approach to integrated reporting across aspects of HEE's Business Plan, the People Plan and Mandate and reviewed HEE's Performance Maturity Action Plan.

Quality Committee

The Quality Committee's primary function is to provide effective scrutiny and oversight of HEE's national and regional work to meet HEE's statutory duty to ensure, and improve, the quality of clinical education and training, ensuring that a culture of continuous improvement is developed within HEE. The Committee met seven times and was supported by the Deputy Board Secretary.

The Quality Committee is chaired by Dr Harpreet Sood, and there were two further Non Executive Director members and 3 Executive Director members. Member attendance is available in Annex 2 at page 106. Additional attendees are invited to assist with business. For 2022-23 these have included:

- Regional Chief Nurse
- Regional Post-Graduate Dean
- Director of Education Quality & Reform

During the year the committee focussed on following key areas:

- The quality of education and training; focussing on assurance rather than development of the quality control, planning, systems, processes, and data which underpin the Quality Framework. This assurance focus included oversight of regional quality metrics and reports.
- Consideration of the Director of Education & Quality's quarterly assurance.
- The Quality Improvement assurance planning cycle informed by both specialty or trust based deep dives.
- The committee will focus on one or two improvement priorities.

Throughout the year, the Committee reviewed each agenda and report considered through the lens of the Board Assurance Framework, concluding at the end of theyear they had reasonable assurance that the activity reported is supporting HEE's ability to deliver its objectives through continuous improvement; it's governance and systems of control.

Accountability Report

Corporate Governance Report | Director's Report

People & Culture Committee

The Committee's primary role is to oversee HEE's implementation, as an employer, of the NHS People Plan (and any subsequent system wide strategies or policies with the agreement of the Board). Its stated objective is to support HEE in becoming the Best Place to Work. The Committee considers issues relating to all HEE staff.

The Committee met 6 times this year. The Chair was Andrew Foster CBE, with three further Non-Executive Director members and three Executive Director members. The Committee is supported by the Board Secretary and Business Manager, Corporate Accountability & Engagement.

The Committee has focused on the People Strategy and Organisational Development delivery plan for HEE's staff in line with the ambitions of the NHS People Plan. The Committee has emphasised the centrality of the Best Place to Work Programme in delivering the Board's ambitions.

Latterly, the Committee has played a significant role in steering actions responding to the February 2022 pulse survey and online conversation around what a good transition could look like and how we can become more inclusive. The impact of these actions was tested through a comprehensive listening exercise including dedicated listening forums and another targeted pulse survey in October. 1896 colleagues completed the survey (47%) and 68 colleagues participated in the listening forums.

Insights included:

- Colleagues would like more support to understand the transition process.
- 72% feel HEE continues to take positive action on health and wellbeing but felt line managers need more support and resources to support colleagues.
- Colleagues need more support preparing for the future including CV sessions, mock interviews and job applications.
- Colleagues from specific demographics still reported discrimination at work.

The Committee oversaw the sharing of results from the listening activity with HEE colleagues, ensuring HEE was proactive in highlighting the support available during transition.

The listening exercise signalled colleagues feel they need more support during transition. An extensive communications and colleague support campaign 'Invest in Yourself' was launched in December and the Committee has received reports on how this has been utilised by colleagues.

The Committee raised concerns regarding the levels of discrimination reported at work. These findings became an area of focus for the Committee, which previously raised concerns about the potential impact of transition on colleagues from specific demographics. The Committee requested further work to ensure transition did not have a disproportionate impact on colleagues with protected characteristics.

The Committee has also focused on reports from HEE's Freedom to Speak Up Guardian, analysing trends and drawing links between these and the levels of discrimination reported in the colleague survey. The Committee considered analysis of Workforce reports at each of their meetings with a particular focus on the action plans linked to the Workforce Race Equality Standards (WRES) and Workforce Disability Equality Standard (WDES).

Throughout the year, the Committee has agreed it has reasonable assurance that the activity reported is supporting HEE's ability to deliver its objectives through continuous improvement; it's governance, systems of control and Best Place to Work programme. In recent months, linked to the Committee's concerns above, it has raised the risk of an unfair assessment and appointments process for creating the new NHSE. This is not part of the BAF, but the committee has requested further assurances that the process will not have a negative impact for colleagues with specific protected characteristics.

Accountability Report

Corporate Governance Report | Director's Report

People's Advisory Forum (PAF)

The People's Advisory Forum has continued to support the work of HEE throughout 2022-23 and the group has remained focussed on supporting our commitment to ensure that public, patient and carer voices are central to HEE's work and decision making. PAF members, both individually and collectively, bring a wealth of knowledge and lived experience to the work of the group and to HEE. As Covid restrictions have been lifted it has been possible for the group to begin to meet in person.

In 2022 the group said goodbye to Dr Liz Mear, HEE Non-Executive Director, but have been delighted to welcome Sir David Behan who along with PAF member, Phil Hough a carer of over 35 years have provided strong leadership to the group. Phil has been a member of PAF since 2017. Professor Mark Radford, HEE's Chief Nurse has continued in his role as the Senior Responsible Officer.

PAF members are initially appointed for three years through an interview and selection process with an option to serve up to a further three years. Recruitment to the group has continued to build the diversity among its membership ensuring good representation across the protected characteristics, geography and widening the insights from lived experience.

PAF meets on a quarterly basis and operates as a virtual network between these meetings. Individual members are recruited to support HEE programmes, projects and initiatives. This year PAF provided valuable expertise and leadership in programmes including, Nursing, Advanced Clinical Practice, Primary Care and across a range of pieces of work with the Mental Health Team. Quarterly meetings include discussion with HEE programme leads and other senior staff. This provides PAF with a strategic overview of the organisation's work and gives workstream leads the chance to seek guidance and advice. This year, topics have included support for students during the pandemic, diversity and inclusion, and the blended learning programme. Both HEE's CEO and members of the Executive Team regularly join the discussion at the PAF meetings.

Liz Fenton, HEE's Deputy Chief Nurse said:

"HEE is committed to making sure that the voices of the public, service users, patients and carers are central to HEE's work and decision making. PAF members individually and collectively play a huge part in this. I look forward to building on this great contribution as we transition into the new NHSE."

Phil Hough, PAF member and co-chair of PAF, said:

"Confirming that the lived experience of patients and the public feeds into HEE's work is critical. Since I joined PAF, the forum has grown in depth, ways of working and support to HEE. Ensuring we have a direct mechanism to feed in lived experience into Education and Training is key to developing the caring workforce and ensuring this voice is independent and free to use its critical skills and experiences, will ensure true co-production in NHS workforce progression"

Professor Mark Radford, Senior Responsible Officer for PAF and HEE Chief Nurse, said:

"Our PAF members' come from a diverse range of backgrounds and their talent and experience bring important and valuable insight across the breadth of HEE's work. Their contributions impact our work for the better and help us to support the provision of top-quality care."

Accountability Report

Corporate Governance Report | Statement of Accounting Officer's Responsibilities

The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023, require NHS England to prepare for the financial year 2022-23 a statement of accounts for Health Education England. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Health Education England and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the government Financial Reporting Manual and in particular to:

- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- Prepare the accounts on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Secretary of State for Health and Social Care has appointed the Chief Executive of NHS England as Accounting Officer of responsible for signing the Annual Report & Accounts 2022-23 of Health Education England. The Chief Executive, and Accounting Officer, up to 31 March 2023 was Dr Navina Evans. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Health Education England's assets, are set out in Managing Public Money published by the HM Treasury.

As the Accounting Officer, I can confirm that as far as I am aware, there is no relevant audit information of which the auditors are unaware and that I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Health Education England's auditors are aware of that information. I confirm that the Annual Report and Accounts for 2022-23, as a whole, are fair, balanced and understandable. I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that they are fair, balanced and understandable.

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

Accountability Report

Corporate Governance Report | Governance Statement

This governance statement covers HEE's control and management of resources during 2022-23. Details of HEE's background and its operating context, including its Mandate from the government and Framework Agreement with DHSC are set out at page 9.

Our Governance Framework

HEE operated within a governance framework that includes the Primary legislation, Statutory Instruments and Directions that describe its core functions and duties, Mandate from the government and Framework Agreement with the DHSC, matters determined by the Board to ensure decision making processes exist and are applied in compliance with Managing Public Money and joint HM Treasury/Cabinet Office Corporate governance in central government departments: Code of Good Practice as this relates to public bodies.

HEE's system of governance was based on the standard element of a statutory integrated board with a single Accounting Officer and national Executive Directors. Dr Navina Evans was the Accounting Officer for HEE until 31 March 2023. HEE's key governance and assurance policies included Standing Orders, Standing Financial Instructions (SFIs), Scheme of Delegation, Risk Management Framework and the Board Assurance Framework (BAF) which operated as an integral part of the three lines of defence model.

Information on the Board and its Committees is set out at pages 40 to 44.

Corporate Governance

I have reviewed HEE's corporate governance arrangements against the requirements of the Corporate Governance in Central Government Departments: Code of Good Practice 2017 Compliance Checklist. I am satisfied that the relevant principles and provisions were reflected by the arrangements HEE had in place, that there have been no departures from the Code and that during the year HEE continued to introduce measures to strengthen its governance overall. There are several provisions within the Code not applicable to HEE, these are set out at Annex 3.

HEE recognised its need to support the Secretary of State for Health and Social Care duty to manage health inequalities. Through fulfilling its statutory duties in relation to workforce, HEE has ensured that provision was made for investment in the public health and wider workforce to help deliver both local and national priorities designed to reduce health inequalities.

Board Effectiveness

The scrutiny of the Board remains vital, helping to provide assurance that good governance continued to support our work and underpinned the changes we went through. Non-Executive Directors provided essential constructive challenge and have overseen the application of key organisational stability. Data provided to the Board was subject to thorough scrutiny and review via Executive and Board committee channels and is constantly refined to ensure it develops with organisational needs.

The Board was responsible for holding the Executive Directors to account. One of the ways it achieved this was through regular performance management reports and reviewing plans and progress against them. The Board was also provided with comprehensive finance reports and an integrated performance report. These were informed by dedicated Finance and Performance meetings held with Executive Directors and other senior managers. In addition, the Performance and Business Committee scrutinised all finance and performance reports, as well as the minutes of Finance and Performance meetings.

The Board oversaw measures to further strengthen HEE's governance in 2022-23, maintaining a robust approach to assurance, cutting across the Board and Committees with their agreed Board Assurance Framework (BAF). The BAF provides a structure for the effective and focused management of the principal opportunities which, if taken, would aid meeting HEE's strategic objectives. It enables easy identification of the significant risks, controls, and assurances for each opportunity.

Accountability Report

Corporate Governance Report | Governance Statement

All BAF opportunities have an Executive Director lead and are assigned to the relevant Board committee in line with its terms of reference. The end of year position for the BAF is summarised at Annex 4. Board and Committee reports presented in 2022-23 contributed to the Board's confirmation of assurance of the on-going use and development of the BAF and the governance arrangements in place to report assurances to the Board and Committees.

Whistleblowing and Freedom to Speak Up

HEE was committed to championing the need for openness and transparency. In line with Sir Robert Francis QC's Freedom to speak up review, whistleblowing was focussed on as a key priority. HEE had a 'Raising Concerns at Work' policy and guidance and support materials are available via our intranet and staff portal. This policy acts as HEE's whistleblowing policy.

HEE's 'Speak Up' campaign was launched in 2020, led by HEE's Freedom to Speak Up (FTSU) Guardian, Professor Simon Gregory. We also delivered a campaign to upskill HEE's most senior leaders, ensure those raising concerns are treated and responded to well, and that HEE's policies and processes remain effective and continually improve. The Board continued its support of HEE's network of FTSU Guardians, and during 2022-23 met with HEE's FTSU guardian.

The remit of HEE Guardians is limited to the work of HEE and its employees. Learners (students and trainees) fall under their local NHS provider guardian system although HEE seeks to support this through advocacy of the FTSUG role. However external individuals have contacted HEE guardians. A policy for handling such encounters has been developed, supported by HEE's legal advisors. These individuals were supported by HEE Guardians whilst also ensuring a 'warm handover' to their own employer's Guardians.

The FTSUG network and approach are an alternative route for colleagues to raise concerns but should be seen amongst the suite of routes including, line management routes, human resource colleagues, duty of candour and 'whistle blowing'. Guardians are focused on ensuring staff have the capability, knowledge and skills they need to speak up for themselves and support others in doing so. The network is a vital part of HEE's safety culture and underpins HEE's aim of making HEE the best place to work.

Confidential reporting systems are employed to ensure recording of all encounters and to support analysis by the HEE Guardian. This was used to inform quarterly reporting to the National Guardian's Office and to inform HEE's Board via the People & Culture Committee.

The HEE Guardian was also supported by the Lead Non-Executive Director, Dr Harpreet Sood, and can approach him directly if he needed to raise concerns.

Risk Management

During the year our strategic risks have been reassessed and all our Directorate and regional risks are aligned under these. HEE's approach to risk management requires all national and regional teams to identify, manage and report risks at the appropriate level and escalate, where appropriate, to the Executive Team for potential inclusion in the corporate risk register. HEE's risk management framework, operates at all levels across the organisation, ensuring risks on the register are brought to the attention of Directors, the Executive Team, the Board or one of its committees as appropriate.

The register was considered frequently by the Audit and Risk Committee.

Copies of the register are provided regularly to our DHSC sponsor team and have informed their assessment of our progress at accountability review meetings, as well as risk interdependencies across the system. A copy of the risk register is made accessible to all staff. We have maintained our agreed risk management process consistently. As a result, our corporate risk register is effective in describing our organisational strategic risks. As we work to implement our response to the internal audit findings, we will be ensuring a stronger linkage between our Board Assurance Framework and corporate risk register is evident.

Accountability Report

Corporate Governance Report | Governance Statement

Through the Performance Report (pages 11 to 34) we detail activity undertaken to proactively manage our risk profile.

At the conclusion of the final quarter, agreement was reached with NHS England on the transfer of risks from HEE's Corporate Risk Register. A summary of the end of year position for each of HEE's strategic risks, including those which at points in time have posed significant threat to HEE's objectives is set out at Annex 5.

Fraud Prevention, Anti-Corruption and Anti-Bribery

HEE promoted an anti-fraud culture and investigates fraud allegations relating to its functions; working to protect the organisation and investigate proactively.

During 2022-23 HEE worked with Department of Health and Social Care Anti-Fraud Unit (DHSCAFU) and NHS Business Services Authority (NHSBSA) to access accredited counter fraud specialists to investigate suspected fraud cases. In addition, HEE has a Local Counter Fraud technician (LCFT) to work on Counter Fraud Awareness and take forward initial investigations before passing suspected cases to our specialists at DHSCAFU for further investigation potentially leading to criminal proceedings. HEE also liaises with the NHS Counter Fraud Authority (NHSCFA) when they are investigating frauds relating to HEE. HEE staff are updated on potential fraud risks, using both internal and cross government sources. The LCFT worked with the information technology team to pursue cyber security measures.

HEE's Audit and Risk Committee (ARC) received regular updates regarding the development of HEE's counter fraud plan. The Counter Fraud Panel is established to look at the organisation's risk profile. In 2022-23 HEE reviewed potential areas of risk with our Counter Fraud Panel, reports have been presented to the Audit & Risk Committee, along with reports of any suspected cases and their progress.

HEE's actions against fraud, bribery and corruption comprised of:

- Regular meetings of HEE Counter Fraud Panel
- Risk review and surveys in all areas
- Promoting a culture that aims to prevent fraud bribery and corruption
- Electronic staff awareness and training
- Fraud alert sharing
- Organisational policies such as related party transactions, gifts and hospitality and declaration of interests
- Intelligence sharing with other public sector organisations, including National Fraud Initiative (NFI) led by the Cabinet Office

HEE's policies and procedures guided staff in their work and aim to deter fraud, bribery and corruption as HEE delivers its objectives whilst utilising the resources allocated by Parliament.

From 01 April 2023 HEE's fraud prevention and reporting work will be integrated into NHS England Counter Fraud Team. Any outstanding cases will be handed over accordingly.

Information Governance

The Board has introduced the following roles to help ensure we discharge our information governance responsibilities in line with good practice:

Senior Information Risk Owner (SIRO): Lee Whitehead, Director of Corporate Accountability and Engagement is our designated SIRO, with responsibility for managing information risk, the protection and safeguarding of all information assets HEE processes.

Caldicott Guardian: Professor Wendy Reid, Director of Education and Quality, and Medical Director was HEE's designated Caldicott Guardian, with responsibility for confidentiality of personal data and information sharing.

Accountability Report

Corporate Governance Report | Governance Statement

Data Protection Officer (DPO): Andrew Todd, Head of Information Governance was our appointed DPO, with responsibility for advising and informing the organisation and its staff about HEE's obligation to comply with the General Data Protection Regulations (GDPR).

The DPO and the Information Governance Team monitored compliance with GDPR, other data protection laws and internal data protection activities; advise on Data Protection Impact Assessments (DPIAs); conduct internal reviews to check legislative and policy compliance to help reduce risk levels; and provide staff training to increase awareness.

Information Governance Steering Group (IGSG) coordinated all activity relating to the secure handling of personal information, incidents policies and the Data Security Protection toolkit (DSPT); this is based on the ten data security standards recommended by the National Data Guardian (NDG) for health and care. The DSPT draw together the legal rules and central guidance set out by the DHSC policy as a standardised set of requirements. HEE submitted the DSPT evidence-based baseline self-assessment on 30 June 2022 stating HEE's position to meet expected standards and throughout the year (2022-23) have worked with colleagues within NHS England (including former NHS Digital) to ensure best practice standards are applied consistently across the new organisation, with optimal governance arrangements in place to ensure transformational alignment. A final DSPT audit/submission for 2022-23 will be made by the end of June 2023.

For further detail on HEE's Annual incident summary, Serious incidents reported and Data Protection Impact Assessment summary for 2022-23 refer to Annex 6. HEE worked through a robust assessment to regain Cyber Essentials Plus certification, as the requirements were strengthened to include areas of cyber security not reviewed previously such as cloud security. Recertification was awarded March 2022.

Review of Internal Controls

HEE benefited from a well-established regional delivery model that continued to evolve during 2022/23. This allowed the organisation to avoid unnecessary duplication to ensure it remained operationally and financially sustainable. Measures were taken to maintain this organisational discipline as HEE's future governance structure adapted to align more beneficially with the wider system.

HEE had consolidated staff resource across national supporting functions, Human Resources, Communications, Finance, Procurement, Information Technology, Information Governance and Corporate Governance.

HEE benefited from a well-established regional delivery model that continued to evolve during 2022/23. This allowed the organisation to avoid unnecessary duplication to ensure it remained operationally and financially sustainable. Measures were taken to maintain this organisational discipline as HEE's future governance structure adapted to align more beneficially with the wider system.

HEE had consolidated staff resource across national supporting functions, Human Resources, Communications, Finance, Procurement, Information Technology, Information Governance and Corporate Governance.

During 2022/23 there were three consultancy and professional services business cases where HEE has not received normal approvals. HEE sought retrospective approvals for these and it believes it acted in good faith in order to deliver government policy. The HEE Audit & Risk Committee and Board were fully briefed on these business cases and agree the reported position that the organisation acted in good faith. A summary of the three business cases is set out below.

- £1.03m to KPMG to support the detailed design of the new Workforce, Training and Education Directorate (WT&E) in the new NHS England, commencing in July 2022. The support provided by KPMG was essential to ensure that HEE had the capacity to implement the Secretary of State's decision that HEE should merge with NHS England on 31 March 2023, while also continuing to deliver its core business and growing clinical training. It became clear from DHSC officials that a response to HEE's business case submission was not imminent, so HEE executives carefully considered options and decided to contract at risk in order to meet the policy deadline. This decision was communicated to senior DHSC officials and was only acted upon after securing the agreement of the HEE Chair. This action, and the progress made as a result of the work performed by KPMG, has been shared with

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HEE's Board. Confirmation was received from DHSC on 29 March 2023 that approval was given. Under the control arrangements for consultancy and professional services spending in place at the time of submission, DHSC should then have referred the business case to Cabinet Office for final approval. While the Cabinet Office has declined to provide approval for this spending retrospectively, it has made clear that it would have been approved if the case had been referred by DHSC before the spending was committed to.

- £20,000 to continue the services to deliver the statutorily mandated, national Oliver McGowan training programme. The involvement of a key individual in developing this programme was indispensable to ensure the lessons are learned and communicated. HEE chose to proceed with this work in order to deliver publicly stated Government policy commitments but this work has not received approval.
- £9,960 for development of content for a pre-registration student area on e-Learning for Health for cancer professionals. HEE conducted preliminary checks but recognise this work proceeded without full ministerial approval in error. A review was undertaken across HEE's business to check whether there were any further cases of proceeding in error. This is the only example identified and HEE subsequently strengthened its processes to prevent further instances.

As Accounting Officer for HEE, I am responsible for reviewing the effectiveness of the system of internal control. In this, I have been informed by the findings of HEE's internal auditors, as well the previous Accounting Officer and managers in the organisation with responsibility for the development and maintenance of a robust internal control framework. Assurance was provided to the Board through adoption of the Board Assurance Framework which drove the agenda and focus of Board meetings and by its Committees with matters escalated as required. The effectiveness of HEE's internal control system has been reviewed by the ARC, which has received a range of reports from the Head of Internal Audit.

HEE internal audit service was provided by KPMG. The Head of Internal Audit, and the supporting audit resources, are provided directly by KPMG. KPMG were appointed as HEE's internal audit provider in July 2021. The programme of internal audit work agreed by the ARC, identified nine areas of review during 2022-23.

The result of internal audit reviews are classified as: significant assurance; significant assurance with some minor improvement opportunities; partial assurance with improvements required' no assurance with improvement required. Of the nine areas reviewed two were considered to give significant assurance, and seven were considered to give significant assurance with some minor improvement opportunities. There were no reviews graded as "partial assurance with improvements required" or "no assurance with improvements required".

The Head of Internal Audit's overall opinion for 2022-23 is that significant assurance, with minor improvements can be given when assessing HEE's governance, risk and controls environment. Assurance is given that adequate and effective systems are in place, however improvements are required in a small number of areas reviewed by internal audit to enhance the adequacy and effectiveness of the framework for governance, risk and control.

Overall, my review confirms that HEE had a generally sound system of governance that supports the achievement and the organisation's aims and objectives.

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

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Moving HEE and our people towards our cultural ambitions

HEE can be justifiably proud of its progress in 2022-23 to develop an inclusive and supportive culture within the organisation. We continue to strive to create a fair, inclusive environment for our people, where colleagues can thrive and deliver their best work because they feel respected and heard. At the time of writing, HEE has already transitioned to NHS England. The transition has meant a period of change and uncertainty for our colleagues and for many it continues to represent an as yet undetermined future.

During this year of transition we have remained focussed on, and committed to, delivering the ambitions enshrined in the Best Place to Work programme which are detailed below. Work has continued in earnest to ensure the continual improvement of HEE's culture so that colleagues are empowered to deliver in a competent, confident and compassionate way. It was really gratifying to see that the results of Autumn 22's engagement survey remained largely unchanged despite the challenging context of change and transition. For instance, overall colleague engagement only changed from 7.4 in the full colleague survey in 2021 to 7.12 in October 2022. Notwithstanding the positive news in the survey, it is worth stating that we are not complacent as we know that there are colleagues in our organisation who feel less heard, less respected and less secure and so there is still much work to be done.

The Best Place to Work programme is the improvement arm for HEE's people and culture work and has provided an excellent mechanism for collaboration and delivery. In preparing for our transition to the new NHS England we have committed to bring the best of our culture work to the new NHS England and mesh our work with the best work from the legacy NHS D and NHS England to ensure that colleagues in the new, larger organisation feel empowered and confident to deliver of their best.

This section of the report presents:

- An overview of our people demographics
- Detail of the steps we have taken to delivery our Best Place to Work ambitions
- An outline how we are fostering a supportive and inclusive culture within HEE
- An overview of the remuneration of our people and senior team as required by the government's financial reporting manual.

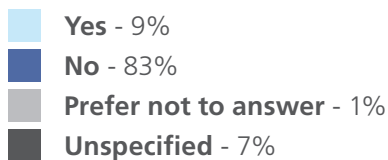
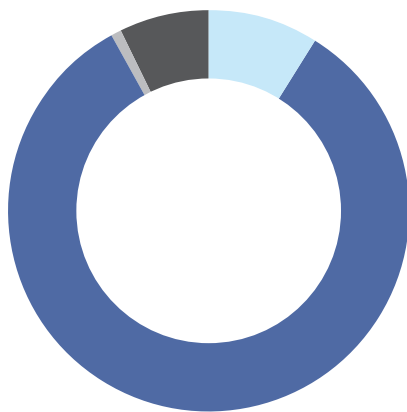
Our people

As of 31 March 2023, HEE had a directly employed workforce of 4,147. Colleagues are employed using the nationally determined NHS Terms and Conditions of Service; the national contracts and terms for medical and dental; or terms agreed for executive and senior managers (ESM) working within ALBs. Recognising the ambition to have a workforce that reflects the diversity of the communities we serve, we regularly review our workforce profile. The infographics below provide a snapshot of HEE demographically.

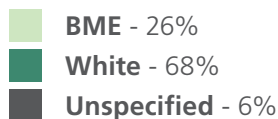
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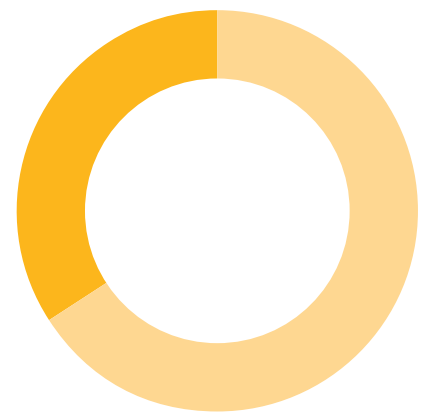
Disability



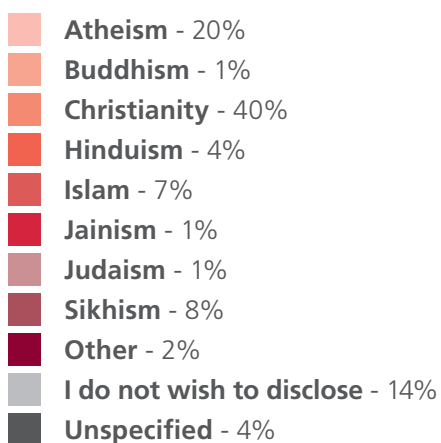
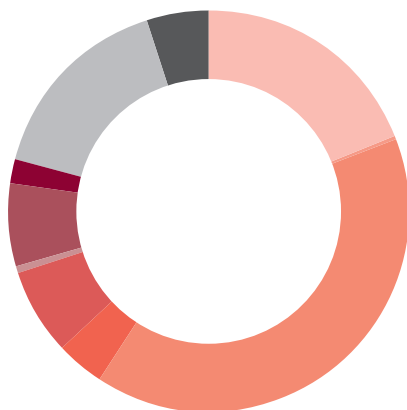
Ethnicity



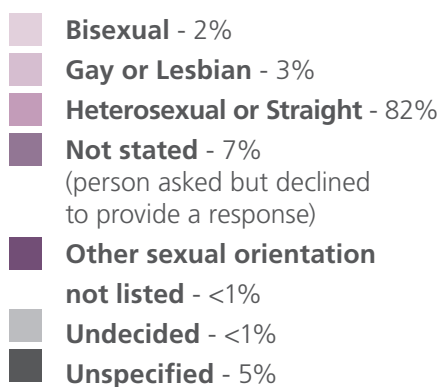
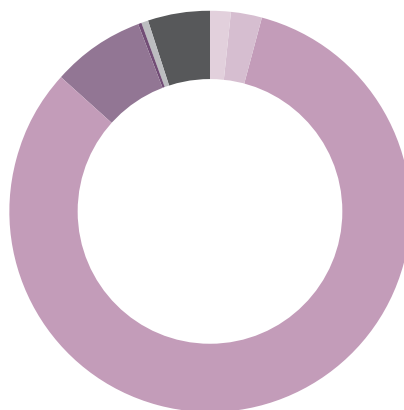
Gender



Religious Belief



Sexual Orientation



The pie charts show that as of 31 March 2023, 9% of our employed workforce identified as having a disability (2022 was 7%), 26% identify as BAME (2022 was 24%) and gender makeup is 33% Male and 67% Female (2022 was 34% Male and 66% female). It is important to note that the NHS wide system, the Electronic Staff Record (ESR) currently only allows sex to be recorded rather than gender. 4.41% identified as LGB+ (2021 was 4.58%).

Whilst the numbers of those choosing not to declare protected characteristics are reducing, there is still work to be done and work will be ongoing in the new NHS England to ensure that colleagues feel safe to make personal declarations.

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Grade	Female	Male	Total
Band 8 - Range D	55	22	77
Band 9	22	12	34
Medical and Dental	588	503	1091
ESM	12	13	25
Grand Total	677	550	1,227

The table above shows the gender split of our senior staff at various pay grades within the organisation. Of those on Agenda for Change Bands 8d and 9, or the equivalent medical grades, 677 are female, and 550 are male. We also report annually on our Gender Pay Gap, and this continues to improve year on year. The difference between the mean hourly rate of men compared with women was 17% in 2022 compared to 18% in 2021.

As of 31 March 2023, of our Non-Executive Directors, two are female, and five are male; of our Executive Directors three are female, seven are male. For a breakdown of their pay and pension contributions, please see our remuneration section later in this chapter.

Becoming the Best Place to Work

In continuing our journey to become the Best Place to Work within the NHS, and in consideration of the NHS People Plan, we remained focused on our six strategic ambitions, against which, all activity was tested to ensure progress was made and value was added. We are proud of the progress we have made during 2022-23. Over 30 projects have been delivered as part of the programme since its inception with involvement from a wide variety of people in the organisation.

HEE colleagues are talking to colleagues within NHS England about the potential adoption of this approach to house people and culture change programmes in the new organisation.

1. We will have a culture that nurtures positivity, is inclusive, and offers visible, compassionate, and inspiring leadership.

The ideas lab was a way for colleagues to engage in continuous improvement through a suggestion scheme that enables all colleagues to view, vote on and discuss ideas whilst colleagues can see how their ideas progress through a dashboard. This has received over 20 submissions.

In May 2022, the Achieving Together project launched as an alternative model to traditional appraisals. Achieving Together focusses on the quality of ongoing conversations, ensuring that colleagues are supported by their managers and discuss the things which matter most to them across four core conversation themes including Wellbeing; Values and behaviours; Work objectives and performance; Personal development and career aspirations.

To support leaders through the transition period to the new NHS England, we offered a new leadership development opportunity called Leading Through Transition. This programme aimed to help leaders create the best possible experience of transition for their teams and will help them to hold onto values and aspirations and support practices that are emotionally intelligent, inclusive, and empowering. 45 colleagues attended this programme.

HEE's new Workplace Adjustments approach, launched in December 2022 aimed at ensuring colleagues have what they need in place to support them ahead of the transition to the new NHS England. The new approach provides guidance for colleagues and line managers on implementing adjustments and available support.

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We aim to increase confidence amongst colleagues with disabilities, impairments, and long-term conditions during transition. Built into the process is a Quality Improvement Framework to monitor outcomes and measure success.

Disability Rights UK continued to deliver Disability Confidence Training sessions. This gives managers and colleagues the opportunity to develop their understanding of disability in the workplace and how they can support colleagues with disabilities.

Our Equality Impact Analysis (EIA) Training was a high priority equality initiative that helped to ensure that all our new or revised practices, functions or services do not directly or indirectly introduce discriminatory elements that adversely impact colleagues with protected characteristic. Training started in December and colleagues were encouraged to attend a session before the end of February. This training also formed part of the transition support package as EIA skills are transferrable and will be vital in the new NHS England.

2. We will regularly recognise and reward staff for their contribution to HEE.

We continue to recognise the dedication and commitment to the NHS and this year 8 colleagues were rewarded and recognised for 25 years and 7 colleagues for 40 years' service to the NHS.

3. We will retain our talent, welcome new colleagues, improve diversity, and offer flexibility in how and where our work is done.

Our Graduate and Student Placement Scheme, introduced in 2020, is now in its third successful year. In October 2022 an induction event was held to welcome 38 graduates and placements students as part of our 2022-23 intake.

Increased Apprenticeships were made available for new and existing colleagues. 52 colleagues joined the programme in 2022-23 taking the total to 281 colleagues to be enrolled between May 2017 and March 2023. 110 of these colleagues have now successfully completed their programmes.

Over the last 3 years, HEE has either met or exceeded the Public Sector Apprenticeship Target of at least 2.3% of the workforce as new start Apprentices, achieving the top reporting ALB in 2 of those years and ranking at least 45th from the 200+ NHS organisations in the last 3 years.

HEE's Corporate Induction 3-day virtual event was attended by approximately 100 colleagues at each bi-monthly session, with 1096 colleagues participating since its launch.

Our Inclusive Recruitment project ran from October 2021 - November 2022 focused on removing bias from our recruitment practices, being an inclusive employer, valuing different experiences, backgrounds, ways of working, views and opinions, and attracting, developing and retaining the best talent.

4. We will regularly "Ask, Listen, Act" so that the voice of our staff has influence and adds value and direction to our work.

Engagement with colleagues remains a critical principle of achieving our ambition, and we have continued to find new ways to collaborate, ask, listen and act through our We Are HEE capability of Best Place to Work.

In February 2022 an Online Conversation focused on two areas - our transition to a new organisation and making HEE a more inclusive and compassionate organisation for everyone. This exercise saw 5,662 contributions shared on the anonymous Clever Together platform.

A great success has been the Change Hub which was introduced to bring together individuals across regional and national functions to work collaboratively and break down siloed working. This is now a monthly meeting attended by up to 80 people each time. This has seen joint working and project delivery increase.

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HEE made a commitment to colleagues in early 2020 to deliver a cycle of measurement of colleague engagement activities that encapsulates HEE's promise to 'ask, listen and act'. This cycle of listening activities started in July 2021 with the We are HEE Colleague Survey, but the decision was made not to run the full We are HEE Colleague Survey in 2022, instead to run a wider engagement activity which consisted of a short survey and focus group-style listening forums. This activity was carried within October 2022.

We received a 47% response rate and an engagement score of 74%, which was slightly lower than the longer survey in 2021. At that point in time, with the upcoming transition to NHS England the main topics covered in the 2022 activity were communication, support during the transition, and moving towards the new organisation. Some areas we have continued to improve on from 2021 include, a 2% increase in colleagues accessing the right learning and development opportunities, and a 3% increase in HEE taking positive action to improve colleagues' wellbeing. We also saw our most improved score, rising 7%, when colleagues were asked if their manager actively supports them in achieving their potential. Within the listening sessions we also received strong feedback that the culture of HEE was improving and created a more caring and valuing culture as well as more engaging leadership teams.

However, alongside these areas of continued improvement, we also received evidence that those who had not had adequate adjustments made for them within their role had significantly lower scores across the board. A new workplace adjustment process with a centralised advice and triage team was introduced in January 2023 to support improvements in this area.

5. We will give every member of staff opportunities to learn, develop and achieve.

As an education and training organisation, the development of our colleagues remains central to our ambitions. Through the Talent Capability arm of our Best Place to Work Programme, we have expanded the range of learning opportunities available to our workforce and have seen 776 colleagues' access funded CPD. This was 129% up on the previous year, driven by improved reporting mechanisms, introducing NHS Elect membership and centrally funded offers delivering wider access with the same budget. Learners report a 93% satisfaction rate and rate the improvement in their knowledge, skills, confidence, and capability post learning as at least 96%.

580 managers have now completed our highly commended HEE Managers' Development Programme. 85% of participants believe the programme will improve their performance in the workplace and 89% would recommend the programme to others.

In response to both positive feedback on the Managers' Development Programme and increasing interest from those with leadership ambitions, we have also launched our Aspiring Managers' Programme this year. The programme offers an aligned, preparatory curriculum to the full programme and was attended by 175 colleagues.

To support colleagues through the transition to the new NHS England, HEE organised a series of half-day virtual classroom workshops to help HEE colleagues navigate the upcoming changes to the organisation. This included advice for future career development, managing teams during an uncertain time, and developing personal wellbeing tools to improve confidence and motivation. 26 workshops were held with 261 colleagues attending in total. The average advocacy scores out of 10 for all courses was 8.9.

6. We will offer a working environment that is safe, well maintained, and healthy, allowing everyone to do their best work.

The Stay Well project within Best Place to Work continued to focus on the health and wellbeing of our colleagues in HEE.

To support colleagues during the transition to the new NHS England, HEE offered a variety of programmes that colleagues could access. This included emotional intelligence webinars; MacMillan at Work workshops; Appetite Doctor sessions; Menstrual Myth Busting sessions; employee assistance programme awareness; 1:2:1 wellbeing conversation workshops and Support for Financial Wellbeing workshops. Sessions were well attended and feedback was positive.

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Following the introduction of our flexible annual leave policy in 2021-22, 20 colleagues have taken up the opportunity to bank leave and 64 have chosen to buy leave in 2022-23. The policy and process were developed to support the principles of the Workplace Wellbeing Charter and were developed in consultation with HEE's Policy Working Group.

We continue to strive to have a culture where colleagues are encouraged to talk more freely about mental health, to reduce the stigma around the subject and create a safe environment for our colleagues. We now have 41 colleagues trained as Mental Health First Aiders through an internationally recognised course designed to spot early signs and symptoms of mental ill health. Those trained can offer a supportive conversation to colleagues who may be experiencing a mental health issue or emotional distress.

Sickness absence data

One important measure of our organisational health is our sickness absence rates. The overall sickness absence rate for 2022-23 was 2.58%. This is an increase of 0.81% from the previous year and as a result the average sick days per employee has increased 5.9 days.

	2022-23	2021-22
Days available during the period (full-time equivalent)	1,132,083.73	985,978.61
Days lost due to sickness during that period	29,211.91	22,788.79
Sickness absence rate	2.58%	2.31%
Average sick days per WTE	5.85 days	5.2 days

Over the last two years, the 12-month turnover for Health Education England (HEE) has been relatively stable, with a decrease of 0.30% from 10.61% in 21/22 to 10.47% in 22/23. Considering the uncertainty surrounding the pending transition to NHS England, this slight decrease in turnover is quite good news for HEE. The transition to NHS England has created a lot of uncertainty, and it is challenging to forecast accurately how it will impact HEE. However, HEE has managed to maintain its turnover level, which is a good indication of its resilience and ability to adapt to change. Overall, this slight decrease in turnover indicates that HEE has navigated the challenges of the past year relatively well, and is in a good position to face any future challenges.

Equality, Diversity and Inclusion (ED&I)

During 2022-23 Health Education England continued to progress its previously articulated ambition of becoming an inclusive organisation that is representative of the communities it serves and regarded as the "best place to work" within the NHS. Demonstrable and sustainable progress in this arena can only be achieved through a comprehensive change management approach that tackles behavioural, process and cultural transformation.

The Diversity, Inclusion and Participation (DIP) Team has worked with stakeholders and colleagues across the organisation to progress and entrench a series of ED&I initiatives to ensure inclusion is embedded in all that we do and drives all improvement work we undertake.

From a strategic perspective, focus has continued to be on delivering projects aligned to action plans that bridge inequality gaps for race, disability and LGBTQIA+ inclusion. This focus, linked to the metrics of the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and Stonewall Workplace Equality Index (WEI), has been key to our advancements in the equalities space this year. Some examples of the work undertaken are:

- Completion of our Inclusive Recruitment Project has enabled us to attract the best possible workforce through outputs such as the recruitment checklist, inclusive panel member training, applicant guide and Disability Confident training for managers and colleagues.

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- Continued provision of support to existing and newly established networks. This support comprises executive sponsorship, regular collaborative meetings, network funding provision and assistance with delivering activities alongside Network Chair development and a protected time offer to support their duties. Our staff networks and support groups play a key role in embedding an inclusive culture across the business. They provide support and foster a sense of belonging for colleagues whilst actively helping us to make progressive changes that ensure more equitable experiences for all.
- Extensive work to support colleagues who experience menopause including the development of the Menopause in the Workplace Guide that provides managers the necessary support to follow legislation and best practice. We also hosted monthly menopause briefing sessions (attended by over 300 colleagues) and webinars providing information on HRT, perimenopause and menopause care. We undertook a pilot project offering access to 50 specialist GP menopause appointments, via Health & Her, and solidified our organisational commitment by becoming a Menopause Friendly Employer in July 2022.
- Delivery of the initial cohort of HEE's Antiracist Allies Programme which provided 35 colleagues from HEE, NHS Digital and NHS England the opportunity to learn how to tackle current and historic issues regarding race equality.
- Expansion of LGBTQIA+ equality work including hosting sessions to raise awareness of a wide range of LGBTQIA+ identities and providing safe spaces for colleagues with shared identities to interact. A work programme to develop an e-learning module on LGBTQIA+ inclusion is also nearing its conclusion. The module will be available for use by all NHS, health and care colleagues shortly.

In February 2023, HEE received its Stonewall WEI results for the 2022 annual submission. HEE is now ranked 55th and has therefore secured a place in the Top 100 Employers list for the first time. Additionally, the organisation received a Gold Award for the work undertaken as well as a Highly Commended Network Group Award celebrating the achievements of our LGBTQIA+ network group (HEERO's).

Additionally, HEE demonstrated its compliance with the Public Sector Equality Duty (PSED) by continuing to set and work towards achieving corporate equality objectives as well as undertaking annual reporting to various standards including the WRES and WDES alongside Gender and Ethnicity Pay Gap reporting. We have also ensured compliance with PSED by reviewing our Equality Impact Analysis (EIA) processes and providing training to upskill colleagues in their completion.

EIA's are a high priority equality initiative that ensure all our new or revised practices, functions or services do not directly or indirectly introduce discriminatory practices that adversely impact particular protected characteristic groups. EIA skills are transferrable and help staff making a wide range of decisions from overarching policies and budget setting to day-to-day decisions which impact specific individuals/groups.

The announcement of HEE's intended merger with NHS England in November 2021 has influenced our priorities in the equalities space during the 2022-23 period. During this time frame, the primary focus of our work has shifted to supporting colleagues across the business to have an equitable transition experience.

Colleagues in People and Culture alongside the DIP Team have worked to devise and deliver several values-based initiatives and support mechanisms to enable staff employed by HEE to have a more equitable transition experience. Examples of these initiatives are:

- Revised Workplace Adjustments Process - The new process launched in December 2022 and provides guidance for staff and Line Managers on the implementation of adjustments and available support. To date 38 individuals have accessed the revised process.
- Invest in Yourself Campaign - Running December 2022- March 2023, the campaign showcases personal development and additional support opportunities available to colleagues across the business.
- Targeted support for LGBTQIA+, BME and disabled staff - Support has focused on addressing inequalities and the nuanced needs of these specific protected characteristic groups.
- Equality Impact Analysis training and application to transition processes - Training on HEE's EIA Toolkit was delivered, in ten sessions, to support 200 Managers and relevant staff across the organisation who are involved in completing EIAs.

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- People and Culture Hub - The Hub provides a single location where colleagues can access a wide range of support for their wellbeing and opportunities for development.
- Access to the Staff Support Programme via the NHS England Learning Hub.
- Development of an inclusive transition assessment and selection process.

Whilst HEE will cease to be a sovereign organisation after 31st March 2023, the work we have undertaken and progress we've made towards being a wholly inclusive employer will continue. To reinforce the commitment to centre ED&I at the core of the new NHS England, a strategy is under development. The strategy will build on good practice across the three merging organisations and be informed by input received from colleagues that captures what is of most importance to them.

Partnership Working

We have continued to build on our established relationship with our Trade Union partners throughout 2022-23. Our Partnership Forum met quarterly throughout the year, with attendance including representatives of the Executive Team, the People and Culture, the Diversity, Inclusion and Participation function and organisational managers, alongside national officers, and internal staff representatives from our recognised Trade Unions. These include:

- British Association of Occupational Therapists
- British Dental Association
- British Dietetics Association
- British Medical Association
- British Orthotic Society
- Chartered Society of Physiotherapy
- GMB
- Managers in Partnership
- Royal College of Midwives
- Royal College of Nursing
- Society of Chiropractors and Podiatrists
- Society of Radiographers
- UNISON
- UNITE

The Partnership Forum, where required, delegates activity to sub-groups; one of which is the Policy Working Group, which met on three occasions throughout the year, reviewing and developing policies and procedures. The following policies and supporting guidance were developed and/or reviewed during 2022-23.

- Information Governance Policy
- Information Risk Management Policy
- Freedom of Information Policy
- Ways of Working Policy
- Recruitment Policy
- DSE Policy
- Fire Safety Policy
- Health and Safety Policy
- Lone Working Policy
- Moving and Handling Policy
- Working From Home Policy
- CSD (Continuous Service Dates) guidance
- Disability Related Absence guidance
- Death in Service guidance
- Domestic Abuse guidance
- Secondment guidance

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Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require employers in the public sector to publish trade union 'facility time', which is granted by employers for staff undertaking recognised trade union activity, as follows.

a. Trade Union representatives -

the total number of employees who were trade union representatives during the relevant period.

	2022-23	2021-22
Number of employees who were relevant union officials during the relevant period	15	13
FTE number	14.25	11.01

b. Percentage of time spent on facility time -

the percentage of time spent by employees who were trade union representatives on trade union activities during the relevant period

Percentage of time	2022-23	2021-22
0%	7	4
1-50%	8	9
51-99%	0	0
100%	0	0

c. Percentage of pay bill spent on facility time -

the percentage of the total pay bill spent on paying employees who were trade union representatives for recognised trade union facility time during the relevant period.

	2022-23	2021-22
The total cost of facility time	£17,357.12	£6,666.28
Total pay bill*	£272,652,892.05	£241,544,000
The percentage of the total pay bill spent on facility time calculated as: (total cost of facility time / total pay bill) x 100	0.006%	0.003%

d. Paid trade union activities -

the percentage of total paid facility time hours spent by employees who were TU representatives during the relevant period on other paid TU activities (such as internal trade union matters).

	2022-23	2021-22
Time spent on paid TU activities as a percentage of total paid facility time hours is calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	6.68%	12.02%

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Remuneration

During 2022-2023, we continued to work with DHSC, other ALBs and Trades Unions colleagues in all matters regarding our pay policy. HEE have been applying the reformed pay structure under the NHS Terms and Conditions that became fully effective from 01 April 2021. Please refer to page 41 for details of our remuneration terms of reference for senior managers and the executive team.

Pay Median - Fair Pay Disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component. The banded remuneration of the highest paid director in the financial year 2022- 23 was £165k -£170k (2021-22, £190-195k). The relationship to the remuneration of the organisation's workforce is detailed in the below table.

The Pay ratio information is calculated using the midpoint of the banding of the highest paid director, which is then divided by the total remuneration for each of the 25th, 50th and 75th percentile. When calculating the median pay using total remuneration the pay of each individual in the organisation is sorted in ascending order from the lowest to the highest total remuneration. The median pay is then determined by finding the middle value of this sorted list. If there is an even number of data points, the two middle values are averaged.

2022-23	25th percentile	Median	75th percentile
Total remuneration (£s)	£35,331	£50,847	£97,487
Salary component of total remuneration (£s)	£33,706	£48,526	£97,487
Pay ratio information	4.7	3.3	1.7

2021-22	25th percentile	Median	75th percentile
Total remuneration (£s)	31,534	47,154	93,289
Salary component of total remuneration (£s)	31,534	47,154	93,289
Pay ratio information	6.1	4.1	2.1

For the purposes of the pay ratio calculations, the Financial Reporting Manual requires us to report on either the highest paid director in the organisation or the highest paid employee. For consistency, HEE discloses the highest paid director in the pay median, as whilst some medical and dental colleagues can be remunerated higher than the highest paid director, this can fluctuate. In 2022-23, 10 employees received remuneration in excess of the highest paid director compared to 5 in 2021-22.

Remuneration ranged from £19,370 to £218,853 in 2022-23 compared to £18,546 to £210,215 in 2021-22. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The median remuneration ratio has decreased from 4.1 in 2021-22 to 3.3 in 2022-23.

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	Highest paid director				Employees of the entity as a whole			
	Salaries and allowances		Performance pay and benefits		Salaries and allowances		Performance pay and benefits	
	Value (£s)	% change	Value (£s)	% change	Value (£s)	% change	Value (£s)	% change
2021-22	192,500	-13	0	0	49,329.70	3.62	215.10	776
2022-23	167,500		0		51,114.00		1461	

*There has been a minus 13% change in the salary (calculated at the midpoint of salary band in the single remuneration table on page 66) of the highest paid director in 2022-23 compared to the previous year. All executive salaries are determined against the ESM pay framework communicated by the Department of Health and Social Care. The highest paid director did not receive any performance pay and bonuses in 2022-23.

The average % change in salaries and allowances for employees of the organisation as a whole between 2021-22 and 2022-23 was 3.62%. This is due a consolidated pay award to all employees on the NHS Terms and Conditions (Agenda for Change) and Medical and Dental pay scales relating to 2022-23 which was made in July 2023. Performance pay and benefits increased by 776% compared to last year due to the AFC national agreement, which stipulates that employees will receive two one-off non-consolidated awards in addition to the 2022/23 pay award. These awards include a non-consolidated award worth 2 percent and a one-off NHS backlog bonus ranging from £1,250 to £1,600.

Pay Review Bodies

Health Education England (HEE) worked closely with the Office of Manpower Economics (OME) to submit reports to the NHS Pay review Body and the Doctors' and Dentists' Review Body, as part of its national process for gathering evidence to inform the recommendations for 2023-24. HEE was represented separately by Professor Mark Radford and Professor Wendy Reid at each of the respective oral evidence sessions, for the review bodies, at the request of the OME. The production of each report was coordinated within Directorate of Education and Quality, by the Policy and Regulation team. The reports for 2023-24 were published and are available on HEE's Website.

Accountability Report

Remuneration and Staff Report

Off-payroll Engagements

Reform of legislation underpinning the off-payroll regulation known as IR35 came into effect from 1 April 2017. The key change under these regulations was the need for HEE to determine the employment status of all off-payroll working and to make pay overs directly to HMRC where appropriate.

The tables below present the information required for HEE from 1 April 2022 to 31 March 2023 for those earning £245 per day or greater.

	Number
Number of existing engagements as of 31 March 2023	26
Of which:	
Number that existed < 1 year	12
Number that have existed for between 1 and 2 years	0
Number that have existed for between 2 and 3 years	4
Number that have existed for between 3 and 4 years	10
Number that have existed for 4 or more years	0
Number of temporary off-payroll workers engaged during the year ended 31 March 2023	13
Of which:	
Not subject to off-payroll legislation	12
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	1
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: Number of engagements that saw a change to IR35 status following the consistency review	0
For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023	
Number of off-payroll engagements of board members, and/or senior officials with a significant financial responsibility, during the financial year.	0
Total number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year.	23

Accountability Report

Remuneration and Staff Report

Consultancy Fees and Contingent Labour

During 2022-23, HEE has incurred expenditure totalling £4.9 million (2021-22 £3.9m) for contingent labour associated with interim appointments facilitated through recruitment agencies. This aligns with the HR policy in place, which aims to promote interim rather than permanent appointments throughout the year.

In 2022-23, HEE incurred a total of £1.75 million on consultancy fees to support its training activities and delivery of business objectives.

Salaries and Allowances

Those identified within the annual report are those senior staff and Non-Executive Directors who make up HEE's Board. This is in accordance with the Government's Financial Reporting Manual for 2022/2023.

Director's Service Contracts

Name and title	Date of appointment	Notice period	Provision for compensation for early retirement
Dr Navina Evans CBE Chief Executive	01-Oct-20	6 months	HEE has the sole and absolute discretion to provide taxable pay in lieu of part or all of the notice period subject to the approval of the Remuneration Committee.
Mr Calum Pallister Director of Finance and Deputy Chief Executive (from 1 Nov 22)	21-Sep-18	6 months	
Mr Lee Whitehead Director of Corporate Accountability and Engagement	01-Apr-13	6 months	
Mr Robert Smith Workforce Planning and Business Intelligence Director	01-Oct-17	6 months	
Mrs Vikki Matthews Director of People and Culture	01-Apr-22	6 months	
Mr Patrick Mitchell Director of Innovation, Digital and Transformation	09-Jan-17	6 months	
Mr David Farrelly Chief Operating Officer and Deputy Chief Executive Officer (Internal)	26-Jan-17	6 months	
Professor Mark Radford CBE Chief Nurse and Deputy Chief Executive Officer – until 31 October 2022 (External)	01-Apr-20	6 months	
Professor Wendy Reid Director of Education and Quality, Medical Director	01-Apr-13	6 months	
Mr Giles Denham Director of Strategic Relationships	01-Sep-21	6 months	
Ms Jo Lenaghan Director of Strategy	01-Apr-20	6 months	

Accountability Report

Remuneration and Staff Report

Director's Remuneration 2022-23 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits (to nearest £100)	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension- related benefits (bands of £1,000)	(e) TOTAL (a to d) (bands of £5,000)
	£'000s	£'s	£'000s	£'000s	£'000s
Dr Navina Evans CBE Chief Executive	140-145	Nil	Nil	Nil	140-145
Mr Calum Pallister Director of Finance	145-150	Nil	Nil	42	190-195
Mr Lee Whitehead Director of Corporate Accountability and Engagement	130-135	2,100	Nil	35	165-170
Mr Robert Smith Workforce Planning and Business Intelligence Director	145-150	Nil	Nil	36	180-185
Mrs Vikki Matthews Director of People and Culture	125-130	Nil	Nil	31	155-160
Mr Patrick Mitchell Director of Innovation, Digital and Transformation	140-145	Nil	Nil	28	165-170
Mr David Farrelly Chief Operating Officer and Deputy Chief Executive Officer (Internal)	160-165	Nil	Nil	107	265-270
Professor Mark Radford CBE Chief Nurse and Deputy Chief Executive Officer (External)	150-155	Nil	Nil	77	225-230
Professor Wendy Reid Director of Education and Quality, Medical Director	165-170	Nil	Nil	Nil	165-170
Mr Giles Denham Director of Strategic Relationships	140-145	Nil	0-5	Nil	140-145
Ms Jo Lenaghan Director of Strategy	140-145	Nil	Nil	39	180-185

Accountability Report

Remuneration and Staff Report

Director's Remuneration - Disclosures 2022-23 (subject to audit)

Mrs Vikki Matthews joined HEE as Director of People and Culture in January 2022; initially as a member of the Executive Team with no formal role associated with the Board. However, from April 2022 Vikki Matthews was invited to sit as a non-voting Executive Director at the Board.

Mr Lee Whitehead received non-cash benefits with regards to a leased company car.

Dr Navina Evans commenced a part time 50:50 secondment with NHS England on 1st July 2022 and is receiving an Additional Responsibility Payment, she also received payment for unused annual leave of £10-£15k. 50% of salary cost was recharged to NHS England from 1st July 2022, this did not include the selling of annual leave. Total salary including the recharged amount would be £220-£225k.

Mr Calum Pallister is being paid an Additional Responsibility Payment for duties relating to the Deputy Chief Executive Officer (HEE) role from 1st November 2022.

Professor Mark Radford was being paid an Additional Responsibility Payment for duties relating to the Deputy Chief Executive Officer (HEE) role from 1st March 2022 to 31st October 2022.

Professor Mark Radford was on loan to NHSE on 1st November 2022 as National Director for Intensive Support. No further remuneration was paid or recharge to NHSE was made for these additional duties.

Mr David Farrelly is being paid an Additional Responsibility Payment for duties relating to the Deputy Chief Executive Officer (HEE) role from 1st March 2022.

All Directors with the exception of Mr Giles Denham and Mrs Wendy Reid received a 3% pay uplift from 1st April 2022. Mr David Farrelly was awarded an additional pay increase further to the 3% in the ESM award.

Mr Giles Denham received a £0-5k pay award under Agenda For Change conditions. He also received £0-5k in respect of the 2% non consolidated award and backlog award for 2022-23.

Accountability Report

Remuneration and Staff Report

Director's Remuneration 2021-22 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits (to nearest £100)	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension- related benefits (bands of £1,000)	(e) TOTAL (a to d) (bands of £5,000)
	£'000s	£'s	£'000s	£'000s	£'000s
Dr Navina Evans CBE Chief Executive	190-195	Nil	Nil	Nil	190-195
Mr Calum Pallister Director of Finance	135-140	200	Nil	38	175-180
Mr Lee Whitehead Director of Corporate Accountability and Engagement	125-130	5,100	Nil	31	160-165
Mr Robert Smith Workforce Planning and Business Intelligence Director	140-145	Nil	Nil	43	180-185
Ms Laura Roberts Director of Skills Development and Participation	105-110	Nil	Nil	Nil	105-110
Mr Patrick Mitchell Director of Innovation, Digital and Transformation	135-140	Nil	Nil	951	1,085-1,090
Mr David Farrelly Chief Operating Officer	140-145	Nil	Nil	60	200-205
Professor Mark Radford CBE Chief Nurse Officer	140-145	Nil	Nil	38	175-180
Professor Wendy Reid Director of Education and Quality, Medical Director	165-170	Nil	Nil	Nil	165-170
Mr Giles Denham Director of Strategic Relationships	75-80	Nil	Nil	Nil	75-80
Ms Jo Lenaghan Director of Strategy	140-145	Nil	Nil	40	180-185

Accountability Report

Remuneration and Staff Report

Director's Remuneration - Disclosures 2021-22 (subject to audit)

Ms Laura Roberts left HEE under voluntary redundancy terms on 31/12/2021. She received a compensation payment of £60,000 (see Exit Costs disclosure on page 75). Salary shown is for 9 months and includes payment for 2 weeks annual leave not taken. Equivalent annual salary is £130-135K.

Ms Laura Roberts did not lease a company car during the year and therefore no Benefit-In-Kind value is required.

Mr Patrick Mitchell left the NHS pension scheme on 30/06/2020 and re-joined on 01/11/2021 and Cash Equivalent Transfer Values include all previous contributions. The value in column "d" is a cumulative value based on all historic contributions to the scheme, compared to other Directors, for whom increases reflect changes in year only.

Mr Giles Denham was appointed as Director of Strategic Relationships on 01/09/2021. Salary shown is for 7 months. Equivalent annual salary is £135-140K.

Professor Wendy Reid did not apply for a National Clinical Excellence Award for 2021-22 and as such did not receive a performance related pay element in the year.

Mr Calum Pallister and Mr Lee Whitehead received non-cash benefits with regards to childcare vouchers and a leased company car respectively.

HEE made contributions to the NEST pension scheme on behalf of Ms Laura Roberts to the value of £1k.

Accountability Report

Remuneration and Staff Report

Director's Pension Table 2022-23 (subject to audit)

Name and title	(a) Real increase in pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 March 2023 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2023 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 31 March 2023 (to nearest £1,000)	(f) Real increase in Cash Equivalent Transfer Value (to the nearest £1,000)	(g) Cash Equivalent Transfer Value at 31 March 2023 (to the nearest £1,000)	(h) Employer's contribution to stakeholder pension
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Dr Navina Evans CBE								
Chief Executive	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr Calum Pallister								
Director of Finance	2.5 -5	Nil	25-30	Nil	264	24	317	N/A
Mr Lee Whitehead								
Director of Corporate Accountability and Engagement	2.5-5	Nil	35-40	5-10	465	27	525	N/A
Mr Robert Smith								
Workforce Planning and Business Intelligence Director	2.5-5	0-2.5	75-80	200-205	1,644	59	1,780	N/A
Mrs Vikki Matthews								
Director of People and Culture	0-2.5	Nil	5-10	Nil	42	16	76	N/A
Mr Patrick Mitchell								
Director of Innovation, Digital and Transformation	0-2.5	Nil	65-70	170-175	1,437	49	1,551	N/A
Mr David Farrelly								
Chief Operating Officer and Deputy Chief Executive Officer (Internal)	5-7.5	7.5-10	65-70	130-135	1,178	119	1,355	N/A
Professor Mark Radford CBE								
Chief Nurse and Deputy Chief Executive Officer (External)	2.5-5	2.5-5	60-65	110-115	935	65	1,044	N/A
Professor Wendy Reid								
Director of Education and Quality, Medical Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr Giles Denham								
Director of Strategic Relationships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Jo Lenaghan								
Director of Strategy	2.5-5	Nil	45 – 50	65-70	703	35	780	N/A

Those with values of N/A are not pension scheme members.

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Remuneration and Staff Report

Non-Executive Director's Service Contracts

Name and title	Date of appointment	Unexpired term @ 31 March 2023	Notice period	Provision for compensation for early termination
Sir David Behan CBE HEE Chair	01-Dec-2018	0	None	None
Professor Andrew George MBE Non-Executive Director	01-Sep-2019	0	None	None
Dr Harpreet Sood Non-Executive Director	01-Sep-2020	0	None	None
Professor Soraya Dhillon MBE Non-Executive Director	01-Sep-2019	0	None	None
Mr Andrew Foster CBE Non-Executive Director	01-Nov-2019	0	None	None
Dr Liz Mear (Left May 2022) Non-Executive Director	01-Nov-2019	0	None	None
Professor John Latham CBE Non-Executive Director	01-Nov-2019	0	None	None
Sir Andrew Morris OBE Associate Non-Executive Director	01-Nov-2019	0	None	None

Non-executive Director's Service Contracts - Disclosure 2022-23 (subject to audit)

Professor Soraya Dhillon was reappointed as a non-executive director of Health Education England (HEE) for 12 months, or until the disestablishment date for HEE, from 1 September 2022.

Sir Andrew Morris OBE was appointed as a Non-Executive Director of HEE on 18 July 2022, having previously served as an Associate Non-Executive Director.

Professor John Latham was reappointed as a non-executive director and Audit and Risk Committee Chair for 12 months, or until the disestablishment date for HEE, from 1 November 2022.

HEE ceased to exist as a legal entity on 31 March 2023, as a result, the Secretary of State for Health dismissed all Non-Executive Directors with effect 31 March 2023, therefore there are no unexpired terms.

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Remuneration and Staff Report

Non-Executive Director's Remuneration 2022-23 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension related benefits (bands of £2,500)	(e) TOTAL (a to d) (bands of £5,000)
	£'000s	£'s	£'000s	£'000s	£'000s
Sir David Behan CBE	60-65	Nil	Nil	Nil	60-65
Professor Andrew George MBE	5-10	Nil	Nil	Nil	5-10
Dr Harpreet Sood	5-10	Nil	Nil	Nil	5-10
Professor Soraya Dhillon MBE	5-10	Nil	Nil	Nil	5-10
Mr Andrew Foster CBE	5-10	Nil	Nil	Nil	5-10
Dr Liz Mear	0-5	Nil	Nil	Nil	0-5
Professor John Latham CBE	10-15	Nil	Nil	Nil	10-15
Sir Andrew Morris OBE	5-10	Nil	Nil	Nil	5-10

Non-Executive Directors Remuneration - Disclosures 2022-23 (subject to audit)

Andrew Foster sadly passed away following a short illness on 20 March 2023. There was no adjustment to salary.

Andrew Foster was Non-Executive Director and with effect from 01/10/2021 was appointed as HEE's Senior Independent Director for up to a period of 12 months. John Latham became HEE's Senior Independent Director on 01/10/2022. There are no changes to terms and conditions, or additional remuneration associated with the role.

Professor Soraya Dhillon was reappointed as non-executive director on 01/09/2022 for a period of up to 1 year.

Professor John Latham was reappointed as a non-executive director and Audit and Risk Committee Chair for 12 months, or until the disestablishment date for HEE, from 1 November 2022. All three terms of appointment ended on 31 March 2023.

Dr Liz Mear resigned from her post of Non-Executive Director on 18th May 2022. Salary shown is for 1.5 months (FTE 5-10k).

Upon appointment as a Non-Executive Director Sir Andrew Morris OBE drew a salary from this 18th July 2022. Salary shown is for 8.5 months to 31.03.2023 when his term ended (FTE £5-10K). For the period prior to this Sir Andrew Morris was an Associate Non-Executive Director and chose to waive remuneration associated with the role.

On 31st March 2023 HEE merged with NHS England and all the Non-Executive Director terms were ended.

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Remuneration and Staff Report

Non-Executive Director's Remuneration 2021-22 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension related benefits (bands of £2,500)	(e) TOTAL (a to d) (bands of £5,000)
	£'000s	£'s	£'000s	£'000s	£'000s
Sir David Behan CBE	60-65	Nil	Nil	Nil	60-65
Professor Andrew George MBE	5-10	Nil	Nil	Nil	5-10
Dr Harpreet Sood	5-10	Nil	Nil	Nil	5-10
Professor Soraya Dhillon MBE	5-10	Nil	Nil	Nil	5-10
Mr Andrew Foster CBE	5-10	Nil	Nil	Nil	5-10
Dr Liz Mear	0-5	Nil	Nil	Nil	0-5
Professor John Latham CBE	10-15	Nil	Nil	Nil	10-15
Sir Andrew Morris OBE	5-10	Nil	Nil	Nil	5-10

Non-Executive Directors Remuneration - Disclosures 2021-22 (subject to audit)

Sir David Behan CBE was reappointed as HEE Chair from 01/12/2021 for a period of 3 years. His term expires on 30/11/2024.

Professor Andrew George MBE was reappointed as a non-executive director on 01/09/2021 for a period of 3 years. His term will end on 31/08/2024.

Dr Liz Mear was reappointed as a non-executive director on 01/11/2021 for a period of 3 years. Her term will end on 31/10/2024.

Sir Andrew Morris OBE has waived his right to receive remuneration for his appointment.

Andrew Foster remains a Non-Executive Director and with effect from 01/10/2021 was appointed as HEE's Senior Independent Director for up to a period of 12 months. There are no changes to terms and conditions or additional remuneration associated with the role.

Accountability Report

Remuneration and Staff Report

Payments to Past Directors (subject to audit)

2022-23

There were no payments made to past directors in 2022-23.

2021-22

There were no payments made to past directors in 2021-22.

Exit Costs (subject to audit)

	2022-23			2021-22		
	Number of compulsory redundancies	Number of agreed other departures	Total Number of Exit packages	Number of compulsory redundancies	Number of agreed other departures	Total number of Exit packages
Less than £10,000	0	21	21	0	4	4
£10,000 to £25,000	0	43	43	1	1	2
£25,000 to £50,000	1	65	66	0	0	0
£50,000 to £100,000	1	68	69	0	1	1
£100,000 to £150,000	0	26	26	0	0	0
£150,000 to £200,000	0	13	13	0	0	0
Over £200,001	0	0	0	0	0	0
Total	2	236	238	1	6	7
Total Cost (£000's)	133	13,470	13,603	14	99	113

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Pension Scheme. Exit costs in this note are accounted for in full in the year of departure where there is a legal obligation. Where HEE has agreed early retirements, the additional costs are met by HEE and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year.

Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

There was one special payment made within exit packages during 2022-23.

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Remuneration and Staff Report

Analysis of Other Departures (subject to audit)

	2022-23		2021-22	
	Number of agreed other departures		Number of agreed other departures	
		£000's		£000's
Voluntary redundancies including early retirement contractual costs	234	13,449	3	85
Mutually agreed resignations (MARS) contractual costs	0	0	1	2
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	1	6	2	12
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	1	15	0	0
Total	236	13,470	6	99

A single exit package can be made up of several components, each of which will be counted separately in this table. The total number above will not necessarily match the total numbers in the earlier table, which will be the number of individuals.

HEE had one "non-contractual payment requiring HMT approval" above.

Nil non-contractual payments were made to individuals where the payment value was more than 12 months of their annual salary.

The Remuneration Report includes disclosure of exit payments payable to individuals named in that Report.

Accountability Report

Remuneration and Staff Report

Staff Numbers (subject to audit)

The average number of whole-time equivalent persons employed during the year

	Total	Permanently employed staff	Others
	Number	Number	Number
2022-23	3,105	2,779	326
Of which number engaged on capital projects	0	0	0
2021-22	2,713	2,463	250
Of Which number engaged on capital projects	0	0	0

Staff Costs (subject to audit)

			2022/23	2021/22
	Permanently employed staff	Others	Total	Total
	£'000s	£'000s	£'000s	£'000s
Wages and salaries	151,803	59,664	211,467	175,416
Social security costs	16,031	1,585	17,616	14,179
Other pension costs	25,977	2,569	28,546	24,176
Termination benefit	14,251	0	14,251	113
Apprentice Levy	773	0	773	660
Total Gross Pay	208,835	63,818	272,653	214,544
Less income in respect of outward secondments	(2,733)	0	(2,733)	(2,869)
Total net costs	206,102	63,818	269,920	211,675

Accountability Report

Remuneration and Staff Report

Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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 requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

Parliamentary Accountability and Audit Report

Regularity of Expenditure (subject to audit)

The total number of losses and special payments cases and their total values was as follows:

Losses	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	2022-23 Number	2022-23 £'000	2021-22 Number	2021-22 £'000
Administrative write-offs	40	59	0	0
Fruitless payments	0	0	0	0
Bookkeeping losses	0	0	0	0
Constructive loss	0	0	0	0
Cash Losses	1,389	850	797	1,209
Claims abandoned	0	0	0	0
Stores Losses	0	0	0	0
Equipment Losses	5	3	6	7
Special payments	1	80	1	15
	1,435	992	804	1,231

Included within cash losses for 2022-23 are HEE debts written off totaling £23k as well as "low value" individual bursary payment debts which have been written off once all efforts to recover these amounts have been exhausted. The NHS BSA recommend the level of write off to HEE which is considered and agreed on a quarterly basis by the Audit & Risk Committee.

The special payment included above relates to a payment in resolution of a trainee situation. One additional special payment to the value of £15k has been disclosed in Exit Costs on page 72.

Fees and charges (subject to audit)

Income arising from fees and charges is immaterial and therefore the relevant disclosure is not required.

Remote Contingent Liabilities (subject to audit)

HEE does not have any remote contingent liabilities (2021-22 £nil).

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

Parliamentary Accountability and Audit Report

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of Health Education England for the year ended 31 March 2023 under The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023.

The financial statements comprise Health Education England's:

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of Health Education England's affairs as at 31 March 2023 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of Health Education England in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Health Education England's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Health Education England'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Health Education England is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which

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they provide will continue into the future. As stated on page 9, Health Education England's functions transferred to NHS England on 1 April 2023 and will continue to be provided in the future.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of Health Education England and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by Health Education England or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

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- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within Health Education England from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the Health Education England'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 Accounting Officer anticipates that the services provided by the Health Education England will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of Health Education England's accounting policies.
- inquired of management, Health Education England's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Health Education England's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Health Education England's controls relating to Health Education England's compliance with The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023 and Managing Public Money;
- inquired of management, Health Education England's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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As a result of these procedures, I considered the opportunities and incentives that may exist within Health Education England for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of Health Education England's framework of authority and other legal and regulatory frameworks in which Health Education England operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of Health Education England. The key laws and regulations I considered in this context included The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023, Managing Public Money, employment law, and pensions and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: July 2023

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Annual Accounts 2022-23

Statement of Comprehensive Net Expenditure for the year ended 31 March 2023

	Note	2022-23 £'000s	2021-22 £'000s
Staff costs	2	272,653	214,544
Other operating expenditure	2	5,158,298	4,679,142
Total operating expenditure		5,430,951	4,893,686
Finance expense		52	-
Total expenditure		5,431,003	4,893,686
Operating revenue	3	(85,321)	(100,991)
Comprehensive net expenditure for the year		5,345,682	4,792,695

The notes on pages 85 to 103 form part of these accounts.

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Statement of Financial Position as at 31 March 2023

	Note	31 March 2023 £'000s	31 March 2022 £'000s
Non-current assets:			
Property, plant and equipment	5	3,090	2,434
Right of use assets	10	4,430	-
Trade and other receivables	6	126	149
Total non-current assets		7,646	2,583
Current assets:			
Trade and other receivables	6	39,870	36,929
Cash and cash equivalents	7	178,170	284,325
Total current assets		218,040	321,254
Total assets		225,686	323,837
Current liabilities:			
Trade and other payables	8	(316,368)	(419,219)
Provisions	9	(632)	(1,491)
Total current liabilities		(317,000)	(420,710)
Total assets less current liabilities		(91,314)	(96,873)
Non-current liabilities:			
Trade and other payables	8	(2,571)	0
Provisions	9	(1,120)	(1,117)
Total non-current liabilities		(3,691)	(1,117)
Total assets less total liabilities		(95,005)	(97,990)
Taxpayers' equity			
General fund		(95,005)	(97,990)
Total taxpayers' equity		(95,005)	(97,990)

The notes on pages 85 to 103 form part of these accounts.

The financial statements were approved by the Board and signed on its behalf by:

Amanda Pritchard

Accounting Officer for Health Education England, and Chief Executive of NHS England

Date: 13 July 2023

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Statement of Cash Flows for the year ended 31 March 2023

	Note	2022-23 £'000s	2021-22 £'000s
Cash flows from operating activities			
Comprehensive net expenditure for the year		(5,345,682)	(4,792,695)
Adjustments for non-cash transactions:			
Depreciation and amortisation	2	3,349	904
Loss on disposal of PPE		0	14
Net finance lease interest – IFRS 16	10	52	0
(Increase)/Decrease in trade and other receivables	6	(2,918)	8,113
Increase/(Decrease) in trade and other payables	8	(100,280)	119,460
(Increase)/Decrease in capital creditors		(286)	(21)
(Increase)/Decrease in lease liabilities	10	(4,709)	0
Provisions reversed unused	9	(908)	(403)
Increase in provisions	9	137	999
Use of provisions	9	(85)	0
Net cash outflow from operating activities		(5,451,330)	(4,663,629)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,179)	(1,112)
Net cash outflow from investing activities		(1,179)	(1,112)
Net cash outflow before financing		(5,452,509)	(4,664,741)
Cash flows from financing activities			
Grant in Aid funding from Department of Health and Social Care		5,348,667	4,823,310
Repayment of lease liabilities	10	(2,313)	
Net cash flow from financing activities		5,346,354	4,823,310
Net increase/(decrease) in cash and cash equivalents in the year	7	(106,155)	158,569
Cash and cash equivalents at the beginning of the year		284,325	125,756
Cash and cash equivalents at year end	7	178,170	284,325

The notes on pages 85 to 103 form part of these accounts.

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Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

	General fund	Taxpayers' equity
	£'000s	£'000s
Balance at 1 April 2021	(128,605)	(128,605)
Changes in taxpayers' equity for 2021-22:		
Comprehensive net expenditure for the year	(4,792,695)	(4,792,695)
Grant in Aid funding from Department of Health and Social Care	4,823,310	4,823,310
Balance at 31 March 2022	(97,990)	(97,990)

	General fund	Taxpayers' equity
	£'000s	£'000s
Balance at 1 April 2022	(97,990)	(97,990)
Changes in taxpayers' equity for 2022-23:		
Comprehensive net expenditure for the year	(5,345,682)	(5,345,682)
Grant in Aid funding from Department of Health and Social Care	5,348,667	5,348,667
Balance at 31 March 2023	(95,005)	(95,005)

The notes on pages 85 to 103 form part of these accounts.

Annual Accounts 2022-23

Notes to the accounts

1. Statement of accounting policies

1.0 Accounting policies

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounts have been prepared in accordance with The Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023. The accounting policies contained within the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Health Education England (HEE) for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.01 Accounting convention

These accounts have been prepared under the historical cost convention.

1.02 Going concern

The going concern basis of accounting for Health Education England (HEE) is adopted in accordance with the requirements set out in International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual. This requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future. During 2022-23, the functions and purpose of HEE were delivered in accordance with the Care Act 2014 and the Framework Agreement between the Department of Health and Social Care (DHSC) and HEE which detailed HEE's role to work with partners to plan, recruit, educate and train the future and current healthcare workforce.

Since its establishment, the financing of HEE has been sustained through Grant in Aid funding provided by the Department of Health and Social Care, subject to annual approval by Parliament. The Secretary of State for Health and Social Care has issued a directive that Parliamentary funding has been allocated to facilitate the continuation of HEE's business activities to continue in 2023-24 financial year.

HEE functioned as a Non-Departmental Public Body responsible to the Department of Health and Social Care until 31 March 2023, interim financial support could have been accessed, if necessary, although no such need was identified. As disclosed in the financial statements, HEE does not perceive any significant uncertainty in estimating the value of assets and liabilities at the reporting date.

On 22 November 2021 the Secretary of State for Health and Social Care announced his intent that Health Education England (HEE) would join NHSE/I, NHS Digital and NHSX to form a new NHS England in order to align people, responsibilities, services, finances and plans enabling better support, services and leadership for the NHS and our population. The Health and Care Act 2022, which grants the necessary authority for this merger, received Royal Assent from Her Majesty the Queen on 28 April 2022. Subsequently, on 1 April 2023, all HEE's business functions, assets, and liabilities were transferred to NHS England.

In accordance with standard practice, public sector entities are considered as ongoing operations if there is an expectation that services will be consistently provided in the future, either by the same entity or by another public sector organisation utilising the same assets. Given that HEE's business activities are set to continue under the merged NHS England organisation at current levels, the financial statements and statement of financial position have been prepared as of 31 March 2023.

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Notes to the accounts

1.03 Critical accounting judgements and key sources of estimation uncertainty

In the application of HEE's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. None of HEE's areas of judgement or estimation are individually material.

1.04 Revenue

The main source of funding for Health Education England (HEE) is Parliamentary Grant in Aid, this is received from the Department of Health and Social Care. HEE is required to maintain expenditure within this allocation. This funding is received with an approved cash limit for the period and HEE is required to draw down cash up to this limit in accordance with business need. Grant in Aid is drawn down and credited to the general fund. Parliamentary funding is recognised in the financial period in which it relates.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer and is measured at the amount of the transaction price allocated to that performance obligation in accordance with the contractual arrangements.

HEE's income is generated through contracts with customers which include NHS England and National Institute for Health Research (NIHR). All other contract income is recognised in revenue when the performance obligations in contracts with customers are satisfied in line with IFRS 15.

Where income is received for a specific performance obligation that is to be satisfied in the following year income is deferred.

1.05 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care, in England and Wales. The scheme is not designed to be run in a way that would enable NHS 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 NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

HEE employees that are not eligible to join the NHS Pension Scheme are enrolled in the National Employment Savings Trust (NEST). The scheme is accounted for as if it were a defined contribution scheme. The cost to HEE of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 expenditure at the time HEE commits itself to the retirement, regardless of the method of payment.

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Notes to the accounts

1.06 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. Training and education expenditure that HEE commits to frequently spans more than one financial year due to course being run in an academic year and sometime over several years. Expenditure is mapped to trainee and student activity during the NHS financial year. Expenses are recognised in the financial year which they relate to. They are measured at the fair value of the consideration payable.

1.07 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes
- It is probable that future economic benefits will flow to, or service potential will be supplied to HEE
- It is expected to be used for more than one financial year
- The cost of the item can be measured reliably; and
- The item has cost of at least £5,000 or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control or
- Items form part of the initial equipping and setting-up cost of a new building irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Depreciation and amortisation

Depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits. Non-current assets are depreciated on a straight-line basis. The estimated useful life of an asset is the period over which HEE expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

HEE's range of estimated useful economic lives:

Buildings	1-5 years
IT equipment	1-5 years
Furniture and fittings	1-4 years
Medical Equipment	1-7 years

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are recorded subsequently at depreciated historic cost as a proxy for current value in existing use; this is acceptable for assets with short lives and immaterial values. HEE does not revalue its assets on the basis that the values involved are immaterial and historic cost is not considered materially different.

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Notes to the accounts

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.08 Leases

A lease is a contract, or part of a contract, that conveys the right to control the use of an asset for a period of time in exchange for consideration. HEE assesses whether a contract is or contains a lease, at inception of the contract.

HEE as lessee

A right-of-use asset and a corresponding lease liability are recognised at commencement of the lease. The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the prescribed HM Treasury discount rates are used as the incremental borrowing rate to discount future lease payments. The HM Treasury incremental borrowing rate applicable at the time is applied for leases commencing, transitioning or being remeasured in the year under IFRS 16.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments;
- Variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement;
- The amount expected to be payable under residual value guarantees;
- The exercise price of purchase options, if it is reasonably certain the option will be exercised; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount for interest incurred using the effective interest method and decreasing the carrying amount to reflect the lease payments made. The lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, to reflect any reassessment of or modification made to the lease.

The right-of-use asset is initially measured at an amount equal to the initial lease liability adjusted for any lease prepayments or incentives, initial direct costs or an estimate of any dismantling, removal or restoring costs relating to either restoring the location of the asset or restoring the underlying asset itself, unless costs are incurred to produce inventories.

The subsequent measurement of the right-of-use asset is consistent with the principles for subsequent measurement of property, plant and equipment. Accordingly, right-of-use assets that are held for their service potential and are in use are subsequently measured at their current value in existing use.

Leases of low value assets (value when new less than £5,000) and short-term leases of 12 months or less are recognised as an expense on a straight-line basis over the term of the lease.

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Notes to the accounts

HEE as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.09 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the HEE's cash management.

Cash, bank and overdraft balances are recorded at current values.

1.10 Provisions

Provisions are recognised when HEE has a present legal or constructive obligation as a result of a past event and it is probable that HEE will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

1.11 Non-clinical risk pooling

HEE participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which HEE pays an annual contribution to NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.12 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of HEE, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

1.13 Financial assets

Financial reporting standard IFRS 9 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

HEE is financed through parliamentary funding, and therefore is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk.

Financial assets are recognised when HEE becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered.

Financial assets are initially recognised at fair value. Fair value is taken as the transaction price.

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Notes to the accounts

HEE assets are classified at amortised cost. Financial assets measured at amortised cost are those held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

After initial recognition, these assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets are derecognised when the contractual rights have expired, or the asset has been transferred.

HEE impairs its financial assets by reviewing each individual balance at the point of recognition based on previous performance where known.

1.14 Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when HEE becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired. HEE's financial liabilities are classified at amortised cost using the effective interest rate method.

1.15 Taxation

HEE is liable to pay corporation tax, however the organisation does not currently have any qualifying activities. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the relevant expenditure heading or capitalised if it relates to an asset.

1.16 Foreign currencies

HEE's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in HEE's Statement of Comprehensive Net Expenditure in the period in which they arise.

1.17 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had HEE not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.18 Statement of operating costs by operating segment

Management has determined that HEE operates as one operating segment with results reviewed by the Chief Executive and the Board as the chief decision makers for the whole organisation.

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Notes to the accounts

1.19 Accounting standards that have been issued but have not yet been adopted

There are no Accounting Standards issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC), which are applicable to HEE which have been adopted by the Government Financial Reporting Manual issued by HM Treasury ("the FReM") but have not been adopted within these Accounts.

1.20 Accounting standards that have been adopted during the period

On 1 April 2022, HEE adopted IFRS 16 'Leases' which replaces IAS 17 (Leases). The new standard introduces a single, on statement of financial position lease accounting model for lessees and removes the distinction between operating and finance leases. The definition of lease has been updated under IFRS 16, there is more emphasis on being able to control the use of an asset identified in a contract.

Under IFRS 16 the organisation will recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments for any operating leases assessed to fall under IFRS 16. There are recognition exemptions for short term leases and leases of low value items.

IFRS 16 Leases Impact assessment

On transition HEE applied the modified retrospective approach which recognises the cumulative effect of adopting the standard at the date of initial application as an adjustment to the opening retained earnings with no restatement of comparative balances.

IFRS 16 does not require entities to reassess whether a contract is, or contains, a lease at the date of initial application. HM Treasury has interpreted this to mandate this practical expedient and therefore HEE has applied IFRS 16 to contracts identified as a lease under IAS 17 or IFRIC 4 at 1 April 2022.

In accordance with the guidance included within IFRS 16 Leases HEE has utilised three further practical expedients under the transition approach adopted:

- a) The election to apply an exemption for leases for which the underlying asset is of low value.
- b) The election to apply an exemption where the lease terms ends within 12 months of the date of application.
- c) The election to use hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

The most significant impact of the adoption of IFRS 16 has been the need to recognise right-of-use assets and lease liabilities for any buildings previously treated as operating leases that meet the recognition criteria in IFRS 16. Expenditure on operating leases has been replaced by interest on lease liabilities and depreciation on right-of-use assets in the statement of comprehensive net expenditure.

Existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000 were treated as commencing on 01 April 2022; as such a lease liability was recognised equal to the value of remaining lease payments discounted at the incremental borrowing rate defined by HM Treasury. The related right of use asset was recognised equal to the liability adjusted for any prepaid or accrued lease payments.

On transition (1 April 2022), HEE recognised £6.5m of right-of-use assets and lease liabilities of £6.5m, there was no impact to taxpayers' equity. The weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 0.95%.

HEE has assessed that there is no impact from a finance lease perspective as it does not hold any finance leases and no significant impact on the limited transactions it undertakes as a lessor because IFRS 16 has not substantially changed the accounting arrangements for lessors.

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Notes to the accounts

The following table reconciles the HEE's operating lease obligations at 31 March 2022, disclosed in its 2021-22 financial statements, to the lease liabilities recognised on initial application of IFRS 16 at 1 April 2022.

	Total
	£'000s
IAS 17 Operating lease commitments at 31 March 2022	8,323
Add: Peppercorn leases revalued to existing value in use	0
Add: Residual value guarantees	0
Add: Rentals associated with extension options reasonably certain to be exercised	0
Less: Short term leases (including those with <12 months at application date)	(1,558)
Less: Low value leases	(85)
Less: Variable payments not included in the valuation of the lease liabilities	0
Less: Other lease adjustments	(36)
Impact of discounting at 1 April 2022 using the weighted average incremental borrowing rate of 0.95%	(98)
IFRS 16 lease liability and Right of Use asset at 1 April 2022	6,546

The net impact on SOCNE following adoption of IFRS 16 when compared to IAS 17 during the year is as follows:

	£'000s
Actual charge to SOCNE during 2022-23 (under IFRS 16)	4,171
Charge to SOCNE (under IAS 17)	3,999
Net impact on SOCNE following adoption of IFRS 16	172

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Notes to the accounts

2. Staff costs and other operating expenditure

	2022-23	2021-22
	£'000s	£'000s
Staff costs:		
- Wages and salaries	211,467	175,416
- Social security costs	17,616	14,179
- Other pension costs	28,546	24,176
- Termination benefits	14,251	113
- Apprentice levy	773	660
Total staff costs	272,653	214,544
Training and education activities:		
Future workforce*:		
- Undergraduate medical and dental	982,530	943,143
- Postgraduate medical and dental	2,460,511	2,220,073
- Clinical education and training	1,049,818	829,014
Total future workforce	4,492,859	3,992,230
- Workforce development	446,533	323,336
- Education support	26,943	24,364
- National activities	146,172	293,347
Total Training and Education Activities	5,112,507	4,633,277
HEE chair and non-executive directors	123	124
Supplies and services	1,650	924
Establishment	15,913	15,844
Premises	21,024	20,969
Operating lease rentals	1,579	4,061
Depreciation and amortisation **	3,349	904
Loss on disposal of PPE	-	14
Provisions arising	137	999
Provisions reversed unused	(908)	(403)
Statutory audit fees (NAO)	177	170
Internal audit and assurance services	232	244
Education and training	1,737	1,069
Other operating expenses	778	946
Total other operating expenditure	5,158,298	4,679,142
Total operating expenditure	5,430,951	4,893,686

*The majority of HEE's expenditure is focused on supporting the NHS's workforce for the future. This investment develops the healthcare professionals of the future. Undergraduate students must gain experience in clinical settings through placements for which placement fees are paid to the clinical service providers. In the postgraduate environment salary and further training support is paid for to ensure relevant trainees can achieve full professional registration.

** Includes £2.5m depreciation on right-of-use assets in 2022-23

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Notes to the accounts

3. Operating revenue

	2022-23	2021-22
	£'000s	£'000s
Revenue from contracts for education and training activities:		
NHS England	4,504	20,271
NHS Providers	601	600
Department of Health and Social Care including National Institute for Health Research	68,526	65,396
NHS other	195	220
Non-NHS	6,987	7,638
Total revenue from education and training activities	80,813	94,125
Other revenue:		
Income in respect of seconded staff	2,733	2,869
NHS	905	3,507
Non-NHS	870	490
Total other revenue	4,508	6,866
Total operating revenue	85,321	100,991

This represents all HEE income except the funding it receives as Grant in Aid from the Department of Health and Social Care.

4. Financial instruments

As the cash requirements of HEE are met through the estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with HEE's expected purchase and usage requirements and HEE is therefore exposed to little credit, liquidity or market risk.

Annual Accounts 2022-23

Notes to the accounts

5. Property, plant and equipment

	Buildings excluding dwellings	Assets under construction	Information technology	Furniture and fittings	Total
	£'000s	£'000s	£'000s	£'000s	£'000s
Cost or valuation:					
At 1 April 2022	3,541	0	2,079	1,857	7,477
Additions	131	1,119	83	132	1,465
Disposals	(1,627)	0	(1,722)	(428)	(3,777)
Transfers	0	0	0	0	0
At 31 March 2023	2,045	1,119	440	1,561	5,165
Depreciation:					
At 1 April 2022	2,605	0	1,897	541	5,043
Charged during the year	495	0	72	242	809
Disposals	(1,627)	0	(1,722)	(428)	(3,777)
Transfers	0	0	0	0	0
At 31 March 2023	1,473	0	247	355	2,075
Net book value at 31 March 2023	572	1,119	193	1,206	3,090

	Buildings excluding dwellings	Assets under construction	Information technology	Furniture and fittings	Total
	£'000s	£'000s	£'000s	£'000s	£'000s
2021-22					
Cost or valuation:					
At 1 April 2021	3,499	0	2,058	809	6,366
Additions	64	0	21	1,048	1,133
Disposals	(22)	0	0	0	(22)
Transfers	0	0	0	0	0
At 31 March 2022	3,541	0	2,079	1,857	7,477
Depreciation:					
At 1 April 2021	2,056	0	1,709	382	4,147
Charged during the year	557	0	188	159	904
Disposals	(8)	0	0	0	(8)
At 31 March 2022	2,605	0	1,897	541	5,043
Net book value at 31 March 2022	936	0	182	1,316	2,434

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Notes to the accounts

6. Trade and other receivables

	31 March 2023	31 March 2022
	£'000s	£'000s
Amounts falling due within one year:		
Trade receivables	8,483	24,886
Expected credit loss allowance - receivables	(2,495)	(3,426)
Other receivables	3,190	1,894
Prepayments and accrued income	30,692	13,575
Total amounts falling due within one year	39,870	36,929
Amounts falling due after more than one year:		
Trade receivables	1,576	1,733
Expected credit loss allowance - receivables	(1,450)	(1584)
Total amounts falling due after more than one year	126	149

7. Cash and cash equivalents

	2022-23	2021-22
	£'000s	£'000s
Balance at 1 April	284,325	125,756
Net change in cash and cash equivalent balances	(106,155)	158,569
Balance at 31 March	178,170	284,325
The following balances at 31 March were held at:		
Government Banking Service	178,170	284,325
Balance at 31 March	178,170	284,325

The closing cash for 2022-23 shows a £106m (37%) reduction when compared to 2021-22. The high cash reserve for 2021-22 was driven by the need to effectively manage a substantial increase in trade payables at the year-end. Consequently, the closing cash and trade payables for 2022-23 reflect a position in line with historical trends.

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Notes to the accounts

8. Trade and other payables

	31 March 2023	31 March 2022
	£'000s	£'000s
Amounts falling due within one year:		
Payables	53,856	201,865
Accruals - revenue and capital	233,670	202,920
National insurance & statutory maternity pay	2,493	2,191
Tax	2,458	1,991
Lease liabilities	2,138	0
Deferred income	99	0
Other	21,654	10,252
Total amounts falling due within one year	316,368	419,219
Amounts falling due after more than one year:		
Lease liabilities	2,571	0
Total amounts falling due after more than one year	2,571	0

9. Provisions

	Dilapidations	Total
	£'000s	£'000s
Balance at 1 April 2022	2,608	2,608
Arising during the year	137	137
Utilised during the year	(85)	(85)
Reversed unused	(908)	(908)
Balance at 31 March 2023	1,752	1,752

	31 March 2023	31 March 2022
	£'000s	£'000s
Expected timing of cash flows:		
No later than one year	632	1,491
Later than one year and not later than five years	1,120	1,117
Later than five years	0	0

All the provisions held relate to building dilapidation costs. Actual costs are provided for where known; where there is a need to estimate, a standard cost per square metre is used.

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Notes to the accounts

10. Leases

On 1 April 2022, HEE adopted IFRS 16 'Leases' which replaces IAS 17 (Leases). In accordance with IFRS 16 a lease is a contract, or part of part of contract, that conveys a right to use an asset (the underlying asset) for a period in exchange for consideration. IFRS 16 requires different and more extensive disclosures about leasing activities than IAS 17.

HEE has entered into leasing arrangements to secure property for conducting the business of training and education and associated administration. All arrangements have been assessed individually and the notes disclosed below are in accordance with applicable accounting standards and relate to formal leasing arrangements only.

10.1 Right of use assets

Health Education England as lessee	Buildings	Other	Total	Of which: leases with DHSC group
	£'000s	£'000s	£'000s	£'000s
Cost or valuation:				
At 1 April 2022	0	0	0	0
Impact on transition to IFRS16	6,546	0	6,546	5,334
Additions	424	0	424	0
At 31 March 2023	6,970	0	6,970	5,334
Depreciation:				
At 1 April 2022	0	0	0	0
Charged during the year	2,540	0	2,540	2,064
At 31 March 2023	2,540	0	2,540	2,064
Net book value at 31 March 2023	4,430	0	4,430	3,270

Carrying value of Intra-DHSC group right of use assets by counter party	2022-23 £000'
Leased from DHSC group	718
Leased from NHS England group	0
Leased from NHS Providers	0
Leased from Executive Agencies	0
Leased from Non-Departmental Public Bodies	0
Leased from other group bodies	2,552
Leased from within DHSC group	3,270

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Notes to the accounts

10.2 Lease liabilities

	2022-23 Total £'000s
Lease liabilities at 1 April 2022	0
Cash flows:	
Repayment of lease liabilities (including interest)	(2,313)
Non-cash movements:	
Impact of transition to IFRS16	6,546
Additions	424
Interest expense	52
Lease liabilities at 31 March 2023	4,709

10.21 Expected timing of future cashflows

	31 March 2023 £'000s	Of which: leases with DHSC group £'000s
No later than one year	2,163	1,701
Later than one year and not later than five years	2,599	1,847
Later than five years	0	0
Sub-total	4,762	3,548
Less: interest element not yet incurred	(53)	(39)
Balance at 31 March 2023	4,709	3,509

10.22 DHSC group balances by counter party

	31 March 2023 £'000s
Leased from DHSC group	827
Leased from NHS England group	0
Leased from NHS Providers	0
Leased from Executive Agencies	0
Leased from Non-Departmental Public Bodies	0
Leased from other group bodies	2,682
Leased from within DHSC group	3,509

Annual Accounts 2022-23

Notes to the accounts

10.23 Additional liabilities not included in Statement of Financial Position

HEE has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases. An assessment of the additional liabilities up to the end of the contracted term where options have been applied, along with the impact of leases due to commence in 2023-24 is disclosed below.

	No later than one year	Later than one year and not later than five years	Later than five years	31 March 2023 Total
	£'000s	£'000s	£'000s	£'000s
Undiscounted lease liability for existing leases where break clauses used.		3,858	2,167	6,025
Undiscounted lease liability for leases commencing in 2023-24	1,653	7,451	9,523	18,627
Total undiscounted liability not included in statement of financial position	1,653	11,309	11,690	24,652

10.3 Amounts recognised in the Statement of Comprehensive Net Expenditure

	2022-23
	£'000s
Depreciation expense on right of use assets	2,540
Interest expense on lease liabilities	52
Expense relating to lease of low value assets	41
Expense relating to short term leases	1,538
Charge to SOCNE	4,171
Rental income from operating leases of sub-leased right of use assets	(57)
Net amount recognised in the Statement of Comprehensive Net Expenditure	4,114

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Notes to the accounts

10.4 Amounts recognised in the Statement of Cash Flows

	2022-23
	£'000s
Total cash outflow for lease payments included within the measurement of lease liabilities	(2,313)
Total cash outflow for lease payments not included within the measurement of lease liabilities	(1,579)
Total cash outflow for lease payments	(3,892)
Total cash inflow for rental income from operating leases of sub-leased right of use assets	43
Total amount recognised in the Statement of Cash Flows	(3,849)

10.5 Health Education England as lessor

HEE has a subleasing arrangement where it acts as lessor. It accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is assessed with reference to the right-of-use asset arising from the head lease and corresponding lessor impact is classified as an operating lease. IFRS 16 has not substantially changed the accounting arrangements for lessors; the maturity analysis of lease receivables, including the undiscounted amounts receivable are detailed below.

	Buildings	Other	31 March 2023 Total	31 March 2022 Total
	£'000s	£'000s	£'000s	£'000s
Receipts recognised as income in year				
Minimum lease receipts	57	0	57	63
Total	57	0	57	63
Future commitments receivable:				
No later than one year	13	0	13	63
Between one and five years	0	0	0	15
After five years	0	0	0	0
Total undiscounted commitments receivable	13	0	13	78

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Notes to the accounts

11. Contingent Liabilities

HEE has no amounts to be disclosed as in these accounts as contingent liabilities (2021-22 £180k).

12. Related Party Transactions

The compensation paid to key management personnel can be found in the remuneration and staff report on pages 51 to 75.

Health Education England is a body corporate established by order of the Secretary of State for Health and Social Care.

The Department of Health and Social Care is regarded as a related party. During the year Health Education England has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department, including:

- NHS England and NHS Improvement
- Clinical Commissioning Groups
- NHS Foundation Trusts
- NHS Trusts
- NHS Business Services Authority

In addition, Health Education England has had a number of material transactions with other central and local government departments to commission training and development of the healthcare workforce.

Professor John Latham and Sir David Behan sit on the HEE Board as Non-Executive Directors. John Latham is also a Board member for Coventry University and Sir David Behan resigned from the Board of HC-One Ltd in December 2021 and remains an advisor to the organisation.

Patrick Mitchell is a member of the HEE Board and is also a Board member for E-integrity E-Learning Community Interest Company and Framework Housing Association.

During the year HEE entered into a number of transactions with some of these organisations, the values including closing balances at the 31 March 2023 and the 2021-22 comparatives, are provided in the tables overleaf:

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Notes to the accounts

2022-23	Trade and other receivables	Trade and other payables	Operating revenue	Operating expenditure
Name of Organisation	£'000s	£'000s	£'000s	£'000s
Coventry University	28	0	0	3,199
HC-One Ltd	0	0	0	0
E-integrity E-Learning Community Interest Company	0	0	50	0

2021-22	Trade and other receivables	Trade and other payables	Operating revenue	Operating expenditure
Name of Organisation	£'000s	£'000s	£'000s	£'000s
Coventry University	0	28	0	2,346
HC-One Ltd	0	10	0	14
E-integrity E-Learning Community Interest Company	0	0	0	0

Review of the register of interests in 2022-23 identifies that both Sir David Behan and Sir Andrew Morris sit on both the HEE Board and the NHS England and NHS Improvement joint Board. HEE has material transactions in the year with NHSE. These joint appointments have been made to assist in the development of closer working relationships between the organisations and require disclosure in these accounts.

Other than the disclosures in the remuneration and staff report, no board member or key manager undertook any material transactions with HEE during 2022-23 or 2021-22.

In accordance with the requirements of IAS24 we have reviewed HEE's related party transactions with those of the Department of Health and Social Care (DHSC) and identified transactions with four of those entities, Curry's Business £10.8k, Macmillan Cancer Support £41.6k, NHS Confederation £497k and NHS Providers £348k expenditure for 2022-23.

13. Events After the Reporting Period Date

In accordance with the Health and Care Act 2022 on 1 April 2023 all HEE's business functions, assets and liabilities transferred to NHS England.

There are no adjusting or non-adjusting events at the time of signing the accounts.

The accounts were authorised for issue by the Accounting Officer on the date they were certified by the Comptroller and Auditor General.

Annexes

Annex 1: Business Plan Objectives (Summary of RAG assessments)

Key: **A = Amber (Slight Slippage)** **G = Green (On Track)**

Goal	Objective	Q3 2022-23 RAG
Future Workforce	Support delivery of domestic education and training supply to meet NHS need with the required placement capacity expansion	A
	Develop a new strategic planning framework based on integrated workforce planning	G
	Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Primary Care	G
	Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Nursing	A
	Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Mental Health	A
	Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Allied Health Professionals	G
	Continue to deliver the NHS Long-Term Plan priorities and Manifesto commitments for Cancer and Diagnostics	G
	Through global health partnerships, we will increase the quantity and quality of staff working in the NHS	G
	Deliver education and training reform to address health inequalities and facilitate multi-professional team working	G
Current Workforce	Support Integrated Care Systems with new ways of working and workforce redesign	G
	Adapt education and training to help the workforce become digitally competent and confident and embrace new technology	G
	Expand advanced practice opportunities to build multi-disciplinary teams and a more flexible workforce	G
	Further strengthen the training, learning and development for support staff and volunteers	G

Annexes

Annex 1: Business Plan Objectives (Summary of RAG assessments)

Key: **A = Amber (Slight Slippage)** **G = Green (On Track)**

Goal	Objective	Q3 2022-23 RAG
Quality and Patient Safety	Embed our Quality Strategy and Framework to drive a more systematic and approach to quality assurance and improvement	G
	Enhance the quality and safety of maternity services with the planned future workforce and the quality of their training.	G
	Ensure the learner voice is acted upon using data/insight to measure and improve the quality of learner experience.	G
Cross Cutting	Restoration and Recovery of Education and Training	G
	We will strive to reduce health inequalities and create a health workforce representative of the population it serves	G
Foundations of Success	We will collaborate to maximise our individual and collective potential by becoming the best place to work	G
	Through the right culture, engagement, and support enable all HEE staff create the best digital services for our users	G
	We will be well governed with fair, timely, inclusive, and evidence-based decision making	G
	We will operate a culture of continuous improvement in the delivery of our objectives	G
	We will work with partners to deliver shared priorities for the NHS	G
	We will spend money wisely to achieve our intended objectives	G
	We are aware of the impact our decisions make for the health of the planet	G

Annexes

Annex 2: Attendance at HEE's Board and Committee Meetings 2022-23

Members	Board and Committees						
	Board	Audit and Risk	Remuneration	Performance and Business	People and Culture	Quality	People's Advisory Forum
Sir David Behan CBE Chair	5/5	2/8	3/3	4/6	5/6	-	3/4
Dr Navina Evans CBE Chief Executive	4/5	-	-	-	-	-	2/4
Mr. Andrew Foster CBE Non-Executive Director	3/4	-	2/3	-	5/6	2/7	-
Professor Andrew George MBE Non-Executive Director	4/5	6/8	3/3	6/6	-	-	1/4
Dr Harpreet Sood Non-Executive Director	4/5	6/8	3/3	-	5/6	7/7	-
Professor John Latham CBE Non-Executive Director	5/5	8/8	2/3	4/6	-	-	-
Dr Liz Mear Non-Executive Director	1/1	0/1	-	-	0/1	-	1/1
Professor Soraya Dhillon MBE Non-Executive Director	5/5	-	3/3	4/6	5/6	6/7	-
Sir Andrew Morris OBE Non-Executive Director	3/5	-	2/3	-	3/6	-	-
Calum Pallister Director of Finance	5/5	-	-	6/6	-	-	-
David Farrelly Chief Operating Officer	5/5	-	-	6/6	6/6	-	-
Professor Mark Radford Chief Nurse	5/5	-	-	-	-	2/7	-
Professor Wendy Reid Director of Education, Quality & Medical	5/5	-	-	-	-	4/7	-
Giles Denham Director of Strategic Relationships	5/5	-	-	-	-	5/7	-
Jo Lenaghan Director of Strategy	5/5	-	-	-	-	-	-
Lee Whitehead Director of Corporate Accountability & Engagement	4/5	-	-	-	4/6	-	-
Patrick Mitchell Director of Innovation, Transformation & Digital	5/5	-	-	4/6	-	-	-
Rob Smith Director of Workforce Planning & Intelligence	5/5	-	-	-	-	-	-
Vikki Matthews Director of People and Culture	5/5	-	-	-	6/6	-	-

Annexes

Annex 3: Corporate Governance in Central Government Departments: Code of Good Practice 2017 Compliance Checklist

In reviewing HEE's corporate governance arrangements against the requirements of the Corporate Governance in Central Government Departments: Code of Good Practice 2017 Compliance Checklist we have identified that there are a number of provisions within the Code not applicable to HEE, these are set out below:

Reference	Requirement and reasons provision not applicable
1	Parliamentary Accountability <i>Relevant to departments, not ALBs</i>
2.2	Focus of departmental board <i>Relevant to departments, not ALBs</i>
2.3	Board relationship with Ministers <i>Relevant to departments, not ALBs</i>
2.11	Requirement of the Permanent Secretary <i>Relevant to departments, not ALBs</i>
3.3	Composition of the Board <i>Relevant to departments, not ALBs. HEE's Board composition is set out in The Care Act 2014</i>
3.4	Composition of the Board <i>Relevant to departments, not ALBs. HEE's Board composition is set out in The Care Act 2014</i>
3.6e	Non-Executive Director role <i>Relevant to departments, not ALBs</i>
3.7	Lead Non-Executive Director role <i>Relevant to departments, not ALBs</i>
3.8	Non-Executive Director role <i>Relevant to departments, not ALBs</i>
3.9 3.14	Lead Non-Executive Director role <i>Relevant to departments, not ALBs</i>
	Composition of the Board <i>Relevant to departments, not ALBs. HEE's Board composition is set out in The Care Act 2014</i>
4.3 - 4.7	Committee structures <i>Relevant to departments, not ALBs. HEE's succession planning is led through the Remuneration Committee for executive management and by the Chair, alongside DHSC for Non-Executive Director appointments made by the Secretary of State for Health and Care</i>
4.13	Composition of the Board <i>Relevant to departments, not ALBs. HEE's Board composition is set out in The Care Act 2014</i>
5.7	Departmental responsibilities for ALB risk management <i>Relevant to departments, not ALBs</i>
5.8	Departmental responsibilities for internal audit within ALBs <i>Relevant to departments, not ALBs</i>
6	Arms-Length Bodies <i>Relevant to departments, not ALBs</i>

Annexes

Annex 4: HEE's Board Assurance Framework

Opportunity	Benefit	Assurance Rating	Lead Committee
BAF1: The delivery of HEE's role and priorities would be enhanced by greater stakeholder clarity and understanding of HEE's workforce responsibilities, expertise and impact.	1.1 We will work with partners to deliver shared priorities to improve the NHS.	Significant	Board
	1.2 Improves HEE's collaboration and delivery of its objectives by reaching shared understanding around responsibilities, competence and priorities of each partner.	Significant	Board
	1.3 Improves ICS relationships, especially for our regions, as they develop and agree their own workforce roles and responsibilities.	Reasonable	Board
	1.4 Resolve potential variation in the perceptions of HEE from stakeholders operating locally, nationally, or both; and ensure greater understanding and alignment with HEE's own accountabilities and structures.	Reasonable	Board
BAF2: Aligning HEE's long-term planning, transformation and reform focus with shorter term NHS operational priorities (exacerbated by Covid-19 recovery) would improve the NHS of the future.	2.1 Could embed HEE's workforce growth and reform agenda, including objectives in the Mandate and Business Plan in the next 12-18 months.	Reasonable	Board
	2.2 Provide clarity for regions response to ICS focus and provider service recovery.	Significant	Performance & Business
	2.3 Ensure learners both support the response and are protected for future need.	Significant	Quality
	2.4 May hasten change and improvement in some professions and education programmes, or slowdown in others, depending on service priorities.	Significant	Quality
	2.5 HEE's catch-up, recovery, education, training, and broader reform plans could improve delivery of service priorities.	Significant	Quality
BAF3: Ensuring HEE's knowledge, skills, expertise and resources are relevant to nearer term improvement is key to workforce transformation and improvement.	3.1 Improved ability to deliver a future workforce based on future needs rather than current practice and priorities.	Reasonable	Board
	3.2 Case for longer term investment cycles understood alongside more immediate need and delivery timescales.	Reasonable	Board
	3.3 HEE's business planning, timelines, and outcomes mirror service planning and need.	Reasonable	Board
	3.4 Workforce planning, reform and transformation are service improvement tools.	Significant	Quality
	3.5 HEE shows agility in responding to system need for solutions or funding outside of HEE norms.	Significant	Performance & Business
BAF4: HEE's ability to deliver its statutory workforce supply responsibilities is improved, including by widening access and increasing routes into education and training, thereby reducing inequality.	4.1 Deliver resource modelling that reduces inequality.	Significant	Board
	4.2 The workforce reflects the populations it serves and has access to a greater pool of potential recruits.	Reasonable	Board
	4.3 Improve the quality of learning environments, prioritising learner experience and patient safety	Significant	Quality
	4.4 Dynamic market interventions improve sustainability and diversity of health professions.	Reasonable	Performance & Business
BAF5: HEE's ability to deliver its strategic objectives is enhanced through continuous improvement in the effectiveness of the organisation; it's governance, systems of control and striving to be the Best Place to Work.	5.1 HEE is well governed with fair, timely, robust and inclusive decision making.	Significant	Board
	5.2 HEE will become the best place to work with a particular focus on equality, diversity and inclusion.	Reasonable	PCC
	5.3 There is a culture of continuous improvement in the delivery of our priorities.	Significant	Quality
	5.4 New science and technologies are harnessed building a digitally confident workforce.	Significant	Performance & Quality

Annexes

Annex 5: Corporate Risks, Year End Position

At the end of the Year, the Audit & Risk Committee agreed those closure of two risks recorded on the Corporate Risk Register:

- Specialty Training Recruitment: this risk was specific to the remote selection introduced to mitigate the impact of COVID-19 and an expected increase in application numbers in 2021-22. An additional 30 posts were appointed as fixed term to support operational recruitment delivery within regional teams; and a wider review commissioned to determine the correct resources and distribution of resources for 2023 recruitment and beyond. This has fed into design activity for WTE. This risk as reported should be closed as we transition into NHS E, but the WTE Directorate should remain alert to the possibility for future risks related to Specialty Training Recruitment.
- Undergraduate Medical Supply: The Quality Committee have considered relevant quality information (including the NETs) and report assurance that the large increase in additional medical and dental undergraduate training places has not compromised placement capacity and quality of training. This should remain an area of oversight for the WTE Committee, but closed as a live risk.

Of the five risks transferring, the two risks below were previously identified as potentially needing inclusion in the NHSE CRR as additional risks; however, it was agreed these would not be recommended for inclusion for the reasons set out below:

- Overall delivery of 50,000 more nurses, including retention and International Recruitment - The risk will remain live after the transition; however, since they are on track to meet the desired target, HEE have recommended that this risk be managed at directorate level, while the wider workforce risk is already captured on the NHSE CRR.
- Implementing the GDPR - The risk diminishes considerably after transition. Outstanding actions relate to compliance with the data protection and security toolkit (DSPT) and the New NHS England will implement a single DSPT submission at the end June 2023. While working to a single framework and methodology for data collection, the actions HEE had planned are expected to resolve themselves.

The mapping of the remaining risks recorded on the HEE Corporate Risk Register, was agreed as set out below:

- Maintaining Implementing the GDPR: transferred to the Delivery Directorate
- HEE websites management: transferred to the Transformation Directorate
- Cyber Security: transferred to the Transformation Directorate
- Nurses by 2024: transferred to the Workforce, Training & Education Directorate
- Stability of the People and Culture team during the Directorate's transition: transferred to the Workforce, Training & Education Directorate

Annexes

Annex 6: Information Governance Data Summary 2022-23

Information Governance Annual Incident Summary 2022-23

Financial year 2022-23													
Incident Type	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Disclosed in error	15	10	11	12	17	16	12	19	10	13	14	14	163
Lost in transit	0	1	0	0	0	0	0	1	0	1	0	0	3
Lost or stolen hardware	1	3	2	0	1	1	0	2	0	0	1	1	12
Lost or stolen paperwork	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-secure Disposal - paperwork	0	0	0	0	0	0	1	0	0	1	0	0	2
Non-secure Disposal - hardware	0	0	0	0	0	0	0	0	0	0	0	0	0
Technical security failing (including hacking)	2	0	1	1	3	0	0	9	3	4	0	1	24
Unauthorised access / disclosure	10	4	0	4	4	0	0	3	2	4	3	0	34
Corruption or inability to recover electronic data	0	0	0	0	1	0	0	0	0	0	0	0	1
Uploaded to website in error	0	0	0	0	0	0	0	0	0	0	0	1	1
Total	28	18	14	17	26	17	13	34	15	23	18	17	240

Annexes

Annex 6: Information Governance Annual Incident Summary 2022-23

DPIA requests by month

April 2022- March 2023	Total DPIA's Recorded	CLOSED	OPEN	ON HOLD
April	29	21	7	1
May	35	30	5	0
June	23	18	2	3
July	36	29	6	1
August	44	38	3	3
September	33	25	7	1
October	32	24	8	0
November	36	27	3	6
December	27	19	5	3
January	26	18	5	3
February	23	12	9	2
March	33	16	13	4
	377	277	73	27

Glossary

A2M Access to Medicine	GP General Practice/Practitioners
AA Anaesthesia Associate	HEE Health Education England
AHEAD Advancing HEE's Equality and Diversity	HEI Higher Education Institution
ACPs Advanced Clinical Practitioners	HIAs Health Impact Assessments
AHP Allied Health Professional	HMRC Her Majesty's Revenue and Customs
AHSN Academic Health Science Network	HRDs Human Resource Directors
ALB Arm's Length Body	IAPT Increasing Access to Psychological Therapies
AP Assistant Practitioner	ICB Integrated Care Board
APPG All-Party Parliamentary Group	ICS Integrated Care System
ARC Audit and Risk Committee	ICO Information Commissioners Office
ARCP Annual Review of Competency Progression	IfATE Institute for Apprenticeships and Technical Education
BAF Board Assurance Framework	IFRS The International Financial Reporting Standards
BAME Black Asian and Minority Ethnic	IGSG Information Governance Steering Group
BAPM British Association of Perinatal Medicine	ISDNs Informatics Skills Development Networks
BAU Business as Usual	LCFS Local Counter Fraud Service
BMJ British Medical Journal	LCFT Local Counter Fraud Technician
BPW Best Place to Work	LETB Local Education Training Board
CAD Cancer and Diagnostics	LMS Local Maternity Systems
CC Care Certificate	LTFT Less Than Full Time Training
CLEAR Clinically Led Workforce and Activity Redesign	LTWP Long-Term Workforce Plan
COO Chief Operating Officer's	MEPs Managed Educational Partnerships
CPD Continuing Professional Development	METIP Multi-professional Education and Training Investment Planning
CPEP Clinical Placement Expansion Programme	MH Mental Health
CYPPT Children and Young People and Psychological Therapies	MSC Medical School Council
DDaT Digital Data and Technology	MSW Maternity Support Worker
DHSC Department of Health and Social Care	NA Nurse Associate
DIP Diversity, Inclusion and Participation	NAO National Audit Office
DPIA Data Protection Impact Assessment	NDP Non-Departmental Body
DPO Data Protection Officer	NDG National Data Guardian
DSP Data Security and Protection	NED Non-Executive Director
DSPT Data Security and Protection Toolkit	NETS National Education and Training Survey
DWP Department for Work and Pensions	NFI National Fraud Initiative
EDI Equality, Diversity and Inclusion	NHS National Health Service
e-LfH e-Learning for Health	NHSBSA NHS Business Services Authority
EIA Equality Impact Analysis	NHSCFA NHS Counter Fraud Authority
ENIC European Network of Information Centres	NHSE NHS England
EPA End Point Assessment	NHSE/I NHS England and NHS Improvement
ESFA Education Skills Funding Agency	NHSI NHS Improvement
ESM Executive and Senior Manager	NMC Nursing and Midwifery Council
ESOL English for Speakers of Other Languages	NQNs Newly Qualified Nurses
ESR Electronic Staff Record	NVC National Volunteer Certificate
ET Education Training	OME Office of Manpower Economics
FCDO Foreign, Commonwealth and Development Office	OOPP Out of Programme Pause
FREM Financial Reporting Manual	OPPE Out of Programme Period of Experience
FPT Flexible Portfolio Training	PAs Physician Associates
FTE Full Time Equivalent	PAF People's Advisory Forum
GAM Group Accounting Manual	PBC Performance & Business Committee
GDPR General Data Protection Regulations	PDEG Performance and Delivery Group
GHP Global Health Partnership	PSED Public Sector Equality Duty
GMC General Medical Council	RCN Royal College of Nursing

Glossary

RN Registered Nurse
RNDA Registered Nurse Degree Apprenticeship
RNLD Registered Nurse for people with Learning Disabilities
RPB Regional People Board
RtP Return to Practice
SFIs Standing Financial Instructions
SIRI Serious Incident Requiring Investigation
SIRO Senior Information Risk Owner
SIW Step into Work
SRO Senior Responsible Officer
STP Sustainability and Transformation Partnerships
TCC Technical Collaboration & Consultancy
TEL Technology Enhanced Learning
TERS Targeted Enhanced Recruitment Scheme
TNA Trainee Nurse Associate
TU Trade Union
TUC Trades Union Congress
UCAS Universities and Colleges Admissions Service
UCD User Centred Design
UKOTN United Kingdom Overseas Trained Nurses
WD Workforce Development
WDES Workforce Disability Equality Standard
WEI Workplace Equality Index
WEx Work Experience
WHO World Health Organisation
WRES Workforce Race Equality Standard
WRL Work-Related Learning
WTE Whole Time Equivalent

Acknowledgements

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Nick Rice, Project Support, Corporate Accountability & Engagement

Asghar Khan, Business Support Officer, People Operations

Get in touch

If you would like to know more about our work, or have a comment or suggestion, visit our website at:

www.hee.nhs.uk

Health Education England is now a part of NHS England. This means NHS England has assumed responsibility for all activities previously undertaken by Health Education England. This includes planning, recruiting, educating and training the health workforce has the right numbers, skills, values and behaviours in place to support the delivery of excellent healthcare and health improvement to patients and the public.

Accordingly, social media channels have been updated to reflect the transition. You can keep up to date with Workforce, Training and Education news online by following:

www.facebook.com/nhswte

twitter.com/NHS_WTE

www.youtube.com/@NHSE_WTE

www.instagram.com/nhse_wte/

www.linkedin.com/company/nhse-wte/

