

# Annual Report and Accounts 2021-22

Health Education England  
(Executive Non-Departmental Public Body)





**Health Education England**  
(Executive Non-Departmental Public Body)

**Annual Report and Accounts 2021-22**

**Presented to Parliament pursuant to Paragraph 26 (4) of Schedule 5 of the Care Act 2014**

**Ordered by the House of Commons to be printed on 21 July 2022**



© Crown copyright 2022

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://nationalarchives.gov.uk/doc/open-government-licence/version/3)

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/official-documents](https://www.gov.uk/official-documents)

Any enquiries regarding this publication should be sent to us via [www.hee.nhs.uk](https://www.hee.nhs.uk) or at Health Education England, Stewart House, 32 Russell Square, London, WC1B 5ND

ISBN 978-1-5286-3147-1  
E 02712441 07/22

Printed on paper containing 40% recycled fibre content minimum  
Printed in the UK by HH Associates Ltd. on behalf of the Controller of Her Majesty's Stationery Office

# About Health Education England

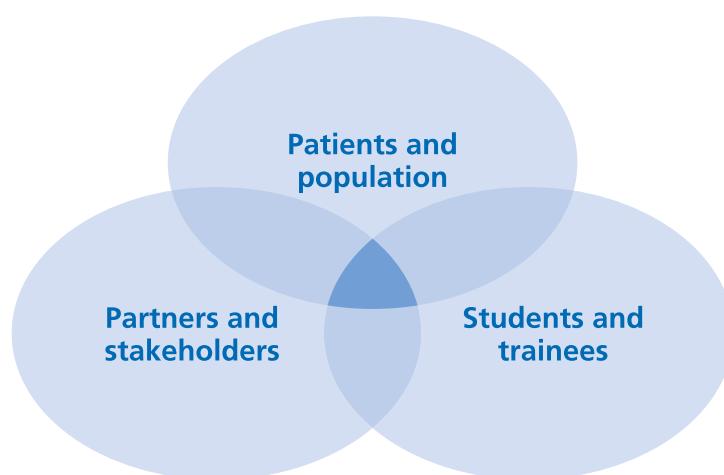
Health Education England exists for one reason only: our **vision** is to help improve the quality of life and health and care services for the people of England by ensuring the workforce of today and tomorrow has the right skills, values and behaviours, in the right numbers, at the right time and in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



# Contents

<b>Foreword from our Chair and Chief Executive</b>	<b>7</b>
<b>Our Strategic Direction</b>	<b>9</b>
<b>Performance Report</b>	<b>13</b>
Statement on Performance from our Chief Executive	14
Overview	16
Performance Analysis	17
Financial Review	41
<b>Accountability Report</b>	<b>45</b>
Corporate Governance Report	47
- Directors' Report	47
- Statement of Accounting Officer's Responsibilities	58
- Governance Statement	59
Remuneration and Staff Report	67
<b>Parliamentary Accountability and Audit Report</b>	<b>94</b>
The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament	96
<b>Annual Accounts 2020-21</b>	<b>100</b>
Notes to the Accounts	105
<b>Annexes</b>	<b>121</b>
Annex 1: Summary of the overall health of HEE's Business Plan objectives	122
HEE Performance Dashboard 2021-22	123
Annex 2: Attendance at HEE's Board and Committee Meetings 2021-22	124
Annex 3: Corporate Governance in Central Government Departments: Code of Good Practice 2017 Compliance Checklist	128
Annex 4: HEE's Board Assurance Framework	129
Annex 5: Information Governance Annual Incident Summary	131
<b>Glossary</b>	<b>134</b>

# Foreword from our Chair and Chief Executive

COVID-19 had a major impact on all our lives and especially on the NHS, including education and training whilst supporting the NHS response to the pandemic. This annual report outlines Health Education England's (HEE) progress against our key priorities during a year of major disruption.

We supported the NHS, learners, the graduate pipeline and maintained quality of training. We also maximised learner's opportunities to catch up on education by working with partners and educators to ensure training recovery and reform was core to NHS service recovery.

The numbers speak for themselves:

- 29,100 more nurses in the NHS compared to 2019.
- We grew the cancer workforce by 4,352, in the last five years, beating the target.
- We recruited 4,000 GP trainees, the largest number ever.
- 99.3% of trainee roles targeted at some of our most deprived areas were filled.
- We grew the mental health workforce, expanding peer support workers (1,578) and Children's Wellbeing Practitioners (827).

## Supporting the recovery and driving reform

Our Medical Education Reform Programme continues to improve the medical education system, including Enhancing Junior Doctors' Working Lives. We spent £30 million supporting individual trainee recovery and developing trust-level solutions. Our training recovery programme report sets out how we support and measure trainee progression. We are also delivering more flexibility for trainees, including the Out of Programme pause and Less Than Full Time Training. Despite COVID-19, we ensured trainees progressed and were recruited to 11,500 training posts, consistent with previous years.

Furthermore, we worked with the Nursing and Midwifery Council (NMC) to embed greater flexibility in nurse education and added 9,000 extra Allied Health Professional (AHP) placements and went beyond traditional placement boundaries.

## Digital transformation

COVID-19 also accelerated our ambition to make HEE a digital first organisation. We improved digital readiness, increased workforce redesign capacity and capability, launched the new NHS Knowledge and Library Hub and commissioned blended learning midwifery, medical degree and nurse critical care training. There were more than 29 million launches on our e-Learning for Healthcare hub, supporting more than 130,000 nurses, 125,000 doctors and 139,000 students, and other roles.

## Widening participation

Widening participation in NHS professions is one of our most important tasks, it makes best use of talent, makes the NHS more representative of those we serve, and increases the life chances and prosperity of individuals and communities.

Over 24,500 people, more than ever, started NHS apprenticeships in 178 areas, a 20% rise supported by levy transfers from companies like O2 and Morrisons. We have 2,000 employer commitments for the nurse apprenticeship with 1,000 started, and 3,000 commitments to convert Nursing Associates or Assistant Practitioners to Registered Nurses.

## Making HEE the Best Place to Work

All our achievements are thanks to the incredible work of our HEE colleagues. They also continue to drive our Best Place to Work ambition, including our Management Development Programme, Virtual Corporate Induction, Stay Well, increased development opportunities and co-creating our new values and behaviours.

# Foreword from our Chair and Chief Executive

Our Annual Colleague Survey in July showed great progress for colleague involvement in decisions, and strong improvements in culture, development and wellbeing, with 75% of wholly employed colleagues recommending HEE as a place to work compared to 50% last time.

The results also showed we are not as inclusive as we aspire or need to be. In September we announced our ambition to become an anti-racist organisation. This work is being shaped by an open working group to ensure we are as collaborative and inclusive as possible.

We pay tribute to our organisational development, equality, diversity and inclusion colleagues as well as our staff networks for their continuing support. We believe excluding any potential colleagues because of personal characteristics is bad for our business. We need the largest possible pool to recruit from for HEE and for the NHS, as such we are committed to ensuring colleagues can bring their whole selves to work and are supported to do their best work.

We checked progress with a pulse survey and online conversation in February which explored inclusivity, and transition to a new organisation. Nearly 2,000 colleagues responded. This showed that survey results were broadly static, with more work needed on discrimination and engaging colleagues in decisions, largely in response to the new organisation announcement.

## Strategic Framework for Health and Social Care Workforce Planning

To deliver the ministerial commission for a 15-year NHS and Social Care Workforce Strategic Framework we made a call for evidence and held deliberative events to engage stakeholders widely. We also help ensure the system has the data, expertise, analysis, and tools to make plans feasible; the service, finance, and workforce alignment to make them tenable; and logical, effective delivery time frames to make them workable.

HEE's relationship with partners has never been more important. During the pandemic, our relationship with NHS England and NHS Improvement became ever closer and more crucial, so we welcomed the Secretary of State's announcement that HEE will join NHSE/I, NHS Digital and NHSX to form a new NHS England. It will align people, responsibilities, services, finances, and plans enabling better support, services and leadership for the NHS and our population.

## Thank you to our colleagues

HEE's achievements are possible because of colleagues, our advisory committee members and many others. We are grateful to them all. We would like to thank Laura Roberts, Director of Skills Development and Participation, who retired after giving us ten years of service. We also warmly welcome Vikki Matthews as Director of our new People and Culture Directorate.

We once again pay tribute to health and care colleagues, including learners, who were amazing during the pandemic. Many were redeployed or volunteered to support the NHS in other ways. There is no doubt these thousands of learners made a significant contribution to fighting the virus and we thank them.



**Sir David Behan CBE**  
Chair



**Dr Navina Evans CBE**  
Chief Executive



# Our Strategic Direction

HEE is 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. It will align people, responsibilities, services, finances, and plans enabling better support, services and leadership for the NHS and our population. HEE has long argued for better alignment of service, financial and workforce planning and this change means integration at national, regional and Integrated Care Board (ICB) levels. It simplifies the NHS national leadership and creates greater synergy around the People Plan, education and training reform and workforce transformation.

A robust transition programme across NHSE/I, HEE, NHSD and NHSX will shepherd the creation of a new NHS England. Central to that programme is 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. 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.

Parliament entrusted HEE with £4.793 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, which is being reviewed, 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. A revised Framework Agreement between the DHSC and HEE is expected to be agreed by Summer 2022.

# Our Strategic Direction

## 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 50. For further information visit: <https://www.hee.nhs.uk/about/how-we-work/our-leaders-structure>

Over the past year, as HEE responded to COVID-19 and started to facilitate 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 provide our Business Plan Framework:

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

In addition to supporting 240,000 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.

## NHS Long Term Plan (LTP)

The NHS LTP, published in January 2019, sets out key ambitions, whilst ensuring maximum value for patients out of every taxpayer pound. It outlines clinical priorities, chosen for their impact on the nation's health and where outcomes often do not match those of other advanced health systems. These priorities include cancer, cardiovascular disease, maternity and neo-natal health, mental health, stroke, diabetes, and respiratory care. It also includes system priorities such as giving people more control over their own health and care and encouraging more collaboration between GPs, their teams and community services (known as primary care networks), to improve services they provide jointly.

The plan continues the move towards the 'triple integration' of health and care systems, primary and secondary care and mental and physical health. Integrated Care Systems (ICSs) are the preferred vehicle as outlined in the Health and Care Bill. ICSs place a greater emphasis on place, population, and systems.

# Our Strategic Direction

## NHS People Plan

The Secretary of State for Health and Social Care commissioned a People Plan to support the LTP. It recognised the critical role of the workforce in delivering objectives, the need to tackle shortages in certain groups, and take forward workforce transformation. We are the NHS: People Plan was published in July 2020.

## 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:

- NHS England and Improvement will become one legal entity on 01 July 2022
- Integrated Care Systems will become Integrated Care Boards on 01 July 2022
- Using the enabling powers within the Act NHS Digital, NHSX, and HEE will become one legal entity with NHS England on 01 April 2023
- Abolishes Local Education and Training Boards.



HEE is part of the NHS, and we work with partners to plan, recruit, educate and train the health workforce.

### 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**  
Assure and deliver with partners, quality education and training that is rigorous, highly sought after and future focused.

### Multi-professional education and training investment plan

Investing in the health workforce of today and tomorrow

#### Objectives

- Increase supply of nurses and AHPs
- Increase access to health careers
- Increase primary care professionals
- Increase GP training places
- Medical education reform

#### Objectives

- Advanced clinical practice expansion
- Technology enabled education and training
- Develop Operating Model and ICS relationships
- Multi-disciplinary team expansion
- Strengthen volunteer and carer training

#### Objectives

- Learners' voices are heard
- Patient safety syllabus
- Quality framework and strategy
- Learning environment improvement

### Our foundations for success

**Best Place to Work**  
We will collaborate to maximise our individual and collective potential by becoming a great place to work.

**Continuous Quality Improvement**  
We will operate a culture of continuous improvement in the delivery of our priorities.

**Governance and decision making**  
We will be well governed with fair, timely, robust and inclusive decision making.

**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.

**Partnership, co-operation and collaboration**  
We will work with partners to deliver shared priorities to improve the NHS.

### Our values

Responsible

Inclusive

Confident

Fair

Value for money  
HEE will spend money wisely to achieve our intended outcomes.

# Performance Report

# Performance Report

## Statement on performance from our Chief Executive



The pandemic has been devastating and yet, in the darkest moments, colleagues came together to respond to enormous urgent and planned care pressures nationwide, never failing to astound and inspire.

This year we've remained focused on recovery and reform, continued to support the NHS, helped learners deal with the mental and physical aftermath, and ensured the graduate pipeline remained open showing HEE's agility, innovation, and cooperation - learning lessons, supporting our people, and working together.

To aid recovery, we've helped deliver record rises in student nurse applications (up 35% since 2018), met our Mandate target to train 1,000 Physician's Associates, and continued to increase the number of new trainees accepting GP training places. Furthermore, we secured investment to expand frontline pharmacy staff in primary and community care over the next four years.

To deliver reform, we've worked with partners through our Enhancing Generalist Skills programme supporting healthcare professionals to manage patients with multiple health conditions confidently and holistically and deliver more population and patient centred care. We also laid the groundwork to allow medical trainees to train Less Than Full Time (LTFT) in all specialties from August - previously this was only offered in Emergency Medicine, Obstetrics and Gynaecology and Paediatrics. We've also worked collaboratively with partners, including the NMC and Council of Deans of Health, to modernise the pre-registration education standards for nursing and midwifery, including reducing clinical placement hours and increasing simulation within the curriculum.

Our blended learning education programmes in midwifery, medical degrees and critical care continue to widen access and educate the workforce for contemporary practice and reduce costs to the health and care system, potentially by up to £24 million, for the 10,500 critical care staff that need training.

# Performance Report

## Statement on performance from our Chief Executive

HEE convened leaders, influencers and advocates to co-design and shape a long-term strategic framework for workforce planning. We explored the broadest range of workforce interventions, the possibilities of new technology, treatments and medical advances, and the demographic changes that drive new thinking. Encouraging colleagues to focus on foresight over forecast, this work will shape the future of our NHS workforce and ensure we are prepared to meet the needs of the future population.

The pandemic proved the need for a digital ready workforce. Through HEE's eLearning for Healthcare COVID-19 vaccination programme, health and care staff developed the knowledge to promote high uptake of the vaccine and deliver the programme safely and effectively. The e-learning was accessed more than three million times, helping nearly 50,000 vaccinators to join the booster programme.

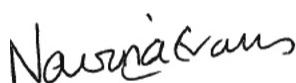
We've also taken on our third cohort of Topol Digital Fellows, a further 50, who will be supported with time, support and training to lead digital health transformations and innovations in their organisations. Our Digital Boards work, with NHS Providers, has gone from strength to strength with very high satisfaction scores (averaging 4.4/5) and reach, with board members in 194 trusts taking part in events and approximately 60 boards completing a digital board development event. The Digital Boards leadership network now has nearly 450 members, and we are progressing digital leadership development for ICBs.

We have furthered our ambition to make HEE the Best Place to Work, with two more 'We Are HEE' online crowd sourcing workshops to hear colleagues' aspirations, frustrations and suggestions. Our staff networks continue to grow in influence, scope and size, playing vital roles in ensuring colleagues can bring their whole selves to work. We're proud to receive a Stonewall gold award for our commitment to ensuring all LGBTQI+ staff are supported in the workplace, and a highly commended award for our HEEROs Network.

Our focus remains to educate and train our current and future workforce as, with partners, we co-create a stronger organisation that aligns workforce, financial and service planning with education and training.

As we look to the future, we are harnessing joint learning to benefit students, trainees and learners. In setting the new normal, HEE's relationships with stakeholders have never been more important, which is why I'm passionate about ensuring we listen, reflect and have honest conversations about the challenges and pressures we face, as well as the opportunities. We are in this together and have a shared duty to serve the population of England, both present and future. If we acknowledge this, we have it in our power to make life healthier and better for the citizens of this country for decades to come.

This report reflects our achievements to March 2022 and for full details of our plans for next year, please read HEE's Business Plan 2021-22 at [www.hee.nhs.uk](http://www.hee.nhs.uk)



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# Performance Report

## Overview

This section outlines progress on HEE's 2021-22 Business Plan and Mandate commitments.

COVID-19's impact was felt throughout the year and was the backdrop to our 2021-22 Business Plan - Recovery and Delivery. We supported recovery by learning the lessons from the pandemic response, supporting our people, and working together for the NHS by helping learners, and ensuring the graduate pipeline remained open.

HEE also maintained, as far as possible, activity to achieving strategic goals around Future Workforce, Current Workforce and Quality (see page 12).

We report against 23 key Business Plan and People Plan commitments. The tables in Annex 1 summarise HEE's delivery: 18 are complete, four are on track, and one was significantly off track; this being our value for money measure which acknowledges the underspend of our 2021-22 budget, with a 2.2% variance from the overall plan.

HEE and DHSC continue to review the impact of COVID-19 on delivery and 2022 trajectories are being agreed. The HEE Board and Performance and Business Committee have been appraised of progress throughout the year.

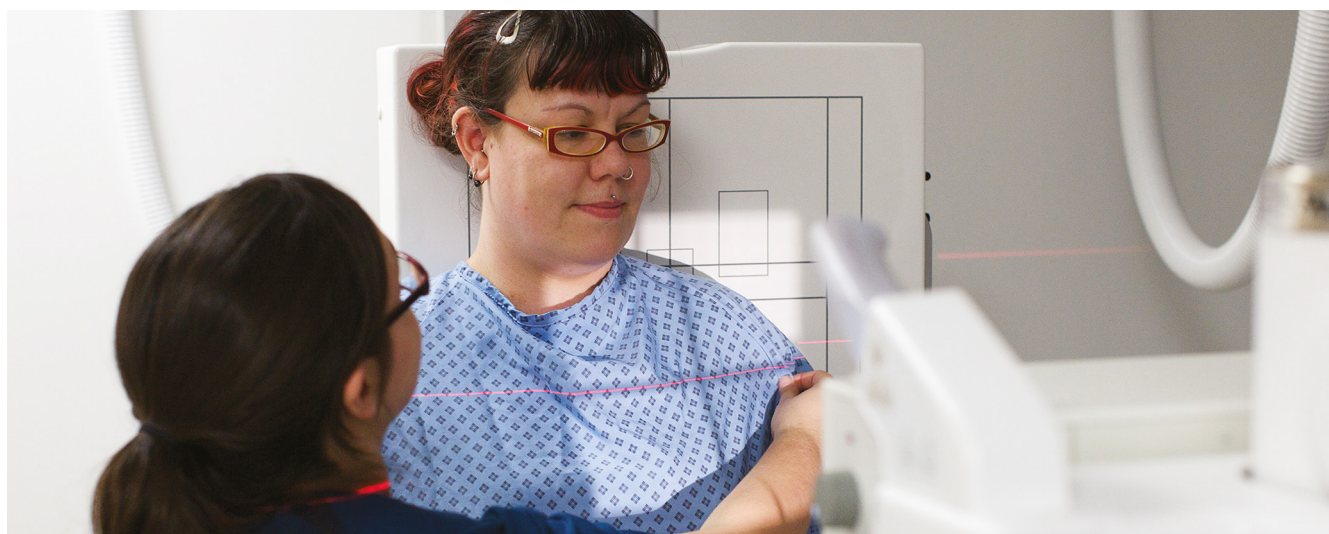
A more detailed analysis of HEE's performance, including key achievements and challenging areas of delivery, is reflected in the next section of the report.





# Performance Report

## Performance Analysis



This performance analysis provides an assessment of HEE's delivery against its Business Plan, the progress made towards the government's manifesto commitments related to the primary care and nursing workforces and the development of primary care training hubs.

The performance framework is structured around HEE's 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'. For 2021-22 HEE refined its purpose and strategic goals to increase the level of our ambition. These goals provide the longer-term perspective, a touchstone from which in-year objectives are constructed. These goals represent what HEE will always reach for; ongoing principles that provide consistency and stability. This performance analysis mirrors these areas to demonstrate the links between strategy and delivery. By keeping a clear focus on delivery HEE supports the development of a sustainable workforce of the future which provides safe and compassionate healthcare.

---

### Future Workforce:

Reforming clinical education to produce the highest quality, new, clinical professionals ever in the right number.

---

There are eight objectives that underpin this strategic goal:

#### 1. Increase nursing supply to help deliver 50,000 more nurses in the NHS by March 2024

As of January 2022, 29,100 more FTE nurses are working in the NHS than in September 2019, giving a total of 330,004 FTE. This is around half the target, but risks remain around retention of existing nurses and domestic supply is slightly behind trajectory partly because of COVID-19 delays and course disruption.

The pandemic has **raised the public profile of nursing**, which together with the new Learning Support Fund, the award-winning **"We are the NHS" campaign**, and investment in **practice placements**, has contributed to increased student nurse applications across all ages. **A record 28,815 choosing nursing as their first choice** through UCAS which we have supported by working with systems to ensure placement capacity, quality and diversity.

# Performance Report

## Performance Analysis

Other interventions include:

- Returning some of the 4,500 students (6%) who stepped off their course to return to study through our **Preregistration Nurse Attrition Programme** which has provided funding to 29 universities for simulation and virtual learning summer schools. These are being evaluated.
- In response to DHSC research, **tracking student engagement** to give students and their university an early warning indicator for students at risk of leaving
- Building on 43% growth in postgraduate preregistration starts through **Project 3,000**
- Growing Registered **Nurse Degree Apprenticeships** and Nursing Associate/Assistant Practitioners (NA/AP) conversions through a third cohort of conversion apprenticeships
- Increasing **Nurse Associate to Registered Nurse** top up
- Building on two regions successfully implementing **PARE, a placement monitoring tool** for students, universities and placement providers, by rolling it out nationwide.

Confidence remains high that HEE will deliver its contribution to the March 2024 target.

**Trainee Nursing Associates (TNAs)** do not contribute to the 50,000 target but are part of the wider nursing workforce and some will continue training to become nurses. HEE had a mandate to achieve 5,000 TNAs up to December 2021. HEE achieved a recruitment figure of 4,432 delivering 89% of the target, despite pandemic disruption. To support TNA growth, HEE continues to:

- Work with NHSE/I to recruit **Healthcare Support Workers** and develop a career pathway into the TNA Pipeline
- Work with King's College London on recruiting **Social Care TNAs** to support wider research
- Work with NHS Employers to **promote the quality and effectiveness of TNAs** thereby encouraging employers to include TNAs in their workforce planning
- Work with universities to create and support **additional TNA cohorts**, including incentivising the recruitment of Direct Entry Students
- Use targeted communications and **Nursing Associate Ambassadors** to promote the role at events and through social media.

We lead the **Maternity Workforce Transformation Strategy** to grow midwifery training places by 3,650 by 2023. **We increased by 1,140 this year, exceeding our target by 116.** Final data will be available when student data counts and verifies Q4 intakes.

We responded to the first **Ockenden** report published in December 2020, the Health Select Committee's **maternity safety Inquiry** and the Royal College of Obstetricians and Gynaecologists developing a **workforce modelling tool**. Since the end of the financial year, HEE has also responded to the final Ockenden report into Maternity Safety, published in March 2022.

We continue to raise the profile of **Maternity Support Workers (MSW)** through a **Competency, Education and Career Development Framework**. We have developed a Level 3 Curriculum and implemented a new Electronic Staff Record (ESR) code to identify MSWs in the workforce. HEE has enabled local maternity systems to map their existing MSWs to the Framework and produce **training and development plans**. We have also worked with partners the revised **MSW apprenticeship**.

To better understand provision for **neonatal nurses** we commissioned a **Qualified In Specialty** review focused on the access, supply, demand, quality, consistency and evaluation of training programmes.

# Performance Report

## Performance Analysis

### 2. Tackle AHP workforce shortages in a managed way that supports the NHS Long Term Plan

**Fourteen professions constitute the allied health professions:** Art therapists, Drama therapists, Music therapists, Chiropodists/podiatrists, Dieticians, Occupational therapists, Operating department practitioners, Orthoptists, Osteopaths, Paramedics, Physiotherapists, Prosthetists and Orthotists, Radiographers, and Speech and language therapists.

As well as being excellent clinicians, AHPs require skills in leadership, communication, behaviour change, project management and personalised care. They also need to understand diverse populations and the social determinants of health. HEE has **expanded placement opportunities in public health and the voluntary sector** to expose students to these experiences and increase placement capacity.

HEE secured £10 million to help **10,500 AHPs and nurses receive specialist critical care training** through a new blended learning package to strengthen intensive care units to be rolled out nationwide

HEE has also published a suite of resources to help workers, employers and ICSs implement our **AHP Support Worker Competency, Education and Career Development Framework**.

### 3. Increase the number of GP training places to 4,000 and make a phased move towards all GP trainees spending 24 months in general practice

HEE **achieved its target of 4,000 GP Specialist Training appointments** and the aim is that 90% of these starters will go on a **24-month training programme**.

The **Targeted Enhanced Recruitment Scheme (TERS)**, which offers a one-off £20,000 payment to GP Specialty Trainees to work in areas with a history of under recruitment or are under-doctored or deprived, had a **99.3% fill rate** (549 out of 553 posts filled).

As well as the GP target there were **18,744 acceptances across 86 other medical training programmes, a fill rate of 96%**. The systems and processes to support recruitment were reviewed in response to the COVID-19 pandemic and ongoing work continues to improve them.

### 4. Deliver medical education reform proposals to improve the efficacy and flexibility of our medical education system

Many of HEE's Medical Education Reform workstreams and initiatives are part of **enhancing doctors in postgraduate training Working Lives** <https://www.hee.nhs.uk/our-work/doctors-training/enhancing-working-lives>.

HEE partnered with the Royal College of Physicians to publish **The F3 phenomenon** which suggests that the increase in doctors in postgraduate training taking a break from training after their Foundation Programme, is effectively an "F3 year". The number taking this break rose from 17% in 2010 to 65% in 2019.

This has implications for how training is delivered and how doctors are supported, something which HEE is committed to in **'Step out, step in'** which includes an **Out of Programme Pause** which facilitates stepping out of training, and working with the Academy of Medical Royal Colleges, who identify doctors stepping back into training as a key behaviour that requires a clear pathway.

Out of Programme Pause has been extended for two years, allowing trainees to step out of training to work in an NHS non-training role, and step back in to demonstrate capabilities gained as a result.

COVID-19 highlighted the cost of health inequalities, the need improve access for hard-to-reach groups and develop doctors with broader transferable skills which build workforce resilience for future health emergencies. The **Enhancing Generalist Skills** programme is designed and aligned to ICS footprints to embed doctors in a local healthcare system focused on population health and prevention.

# Performance Report

## Performance Analysis

With NHSE/I, our **Distribution of Specialty Training** programme ensures an equitable distribution of HEE funded specialty training posts to help address health inequalities. The first specialties, Cardiology, Haematology, Obstetrics and Gynaecology will move some first-year posts from August 2022.

Our **Supportive Culture** video was a smash hit with a reach of 3.8 million and 229,000 content displays across social media.

### 5. Increase the supply of people trained to fill the roles to enable delivery of the LTP outcomes for cancer and diagnostics

HEE has very successfully played its part in growing this workforce. Between 2016-21, the **cancer workforce grew by 4,352 FTE, exceeding the ambition of 4,126**. During 2021-22, action in the priority professions means an additional 1,700 staff are now in post. Further work with NHSE/I continues to review the Cancer Workforce Plan to model future demand and supply in line with the strategic framework and indicated in the NHSE/I Mandate 2022-23 published on 31 March 2022. HEE has:

- Surpassed the target of 400 trainees completed or in training with **406 clinical endoscopists and 48 colonoscopists**.
- Ensured the target to upskill 105 chemotherapy nurses is on track with 96 commenced in January 2022 and a further 41 nurses commencing in March 2022 meaning **137 nurses will upskill**
- Exceeded the target of 250 **specialist cancer nurses, with 431 in training** and more scheduled in 2022. This additional training, ranging from bespoke single day courses to master's level modules, aligns with local priorities agreed with cancer alliances.
- Surpassed the target to train 150 radiographers in image interpretation and reporting with up to **165 radiographers** starting in October and January.

### 6. Increase the supply of people trained to fill the roles to enable delivery of the LTP outcomes for mental health

HEE's Mental Health Programme supports the Long-Term Plan by aiming to upskill or train circa 9,000 people for new roles. To date, HEE has:

- **Delivered 2,260 against a target of 2,678 places** funded for IAPT roles. The remaining circa 400 commissions will split and added to the 2022-23 and 2023-24 commissioning plans. The broader NHS target, for increased recruitment to actual posts, has not been met due to a lack of permanent posts being funded. HEE is supporting NHSE/I to ensure the required investment is made to support demand from employers.
- Confirmed funding to support higher demand of 827 against a target of 750 for the **Children's Wellbeing Practitioner (CWP) and Recruit to Train (RtT)**. Around 100 CWPs started in September and a further 200 in January, along with 527 RtTs.
- Delivered **890 Clinical Psychology Doctorate trainees** against a target of 914, and **58 Child and Adolescent Psychotherapy trainees** against a target of 76. The shortfall is due to late agreement of HEE's budget making it impossible to expand staffing and placement capacity.
- Surpassed the target of 1,500 training places with **1,221 Peer Support Workers** and **357 supervisor training places** confirmed for a total of 1,578.
- Commissioned and filled 100% of **perinatal postgraduate places** with 100 for psychiatry, 71 in clinical psychology, and 120 across the wider workforce postgraduate module.
- Expanded **psychiatry**, starting with 120 more core training programmes in key geographical areas of need.
- Created an additional 214 **Wellbeing Practitioner** training places.

Since 2016, we have **created circa 44,000 newly qualified mental health staff available to work**, with 19,000 additional employed in the NHS, and provided new skills and training for half the total workforce.

# Performance Report

## Performance Analysis

### 7. Continue the infrastructure development of HEE ICS level Primary Care Training Hubs to support development of colleagues for Additional Role Reimbursement Scheme roles where funded

Following agreement to Spending Review funding mid-way through the year we tendered for and awarded contracts of up to five years to successful bidders for **Primary Care Training Hubs**.

HEE also supported the wider system goal to expand the primary care workforce by 26,000 through our **Primary Care Pharmacy Education Pathway** which ensures clinical pharmacists are equipped to work in primary care. The number of clinical pharmacists in primary care has risen to around 3,500, including 1,592 in training.

### 8. To help reduce health inequalities, HEE will widen access to health careers for under-represented groups and develop a 'what works' evidence base.

Our Widening Access and Participation work includes:

- **I'm in Healthcare** tender complete with contracts expected in Spring 2022
- Facilitating events to help the NHS deliver **online work-related learning** and work experience
- Refreshing and launching our **Work Experience Toolkits**.

HEE has also supported the development and delivery of a highly accessible **Disability Toolkit** aimed at health learners and adapted for disciplines. This gives our learners the best information on Access to Work and helps improve the experience of disabled learners, whilst reducing early career attrition.

The Find Your Way Guide: <https://diversityandability.com/nhs-toolkit/health-professionals-atw/>



# Performance Report

## Performance Analysis

---

### Current Workforce:

Transforming today's workforce to work in a co-operative, flexible, multi-professional, digitally enabled system.

---

There are five strategic objectives associated with this goal:

#### 1. Through the HEE Centre for Advancing Practice expand clinical practice for nurses, allied health professionals, pharmacists and healthcare scientists

This year **25,000 practitioners accessed HEE's Centre for Advancing Practice** and we work closely with regional faculties to increase uptake.

We **trained 350 Advanced Clinical Practitioners (ACPs) against a target of 1000**. The shortfall was because clinicians training at this level are high performing front line senior clinicians so were required to support the pandemic response in their Trusts. Our new **ePortfolio Supported Route** has attracted over **900 expressions of interest** and we are working to convert as many of them as possible to bring delivery back on track within the first quarter of 2022-23.

Graduates can apply for a digital badge that recognises their learning against the **Multiprofessional Framework for Advanced Practice in England**.

#### 2. Adapt education and training to accommodate changes in technology and support the workforce to adapt to changes in roles as a result

HEE expanded the **NHS Digital Academy** via the **Digital Health Leadership programme** with Cohort 3 completing meaning 300 people have completed the course. Cohort 4 applications have seen pleasing increases from minority ethnic colleagues (28%) and women (44%).

A **Yale Digital Futures** programme for ICSs has been developed and a **Digital Graduate Pathway** model established with the Health Innovation Network - around 80 graduates have taken up NHS roles.

#### 3. We will work with NHSE/I to shape the operating model for NHS people and workforce issues, including the role of ICSs and the Health and Care Act 2022

The creation of the **new NHS England** and statutory footing for ICSs saw HEE work with NHSE/I to shape the **future operating models** of the organisation and the new system. This builds on **HEE's revised operating model** published in November.

#### 4. Support the expansion and development of multi-disciplinary teams to achieve a diverse, sustainable skills mix in primary care

HEE's support for primary care transformation, includes, publishing and promoting new resources for Multi-Disciplinary Team working including 'Roles Explorer' and 'MDT toolkit', expanding Clinically Led Workforce and Activity Redesign (CLEAR) as a methodology of choice for large scale multi-organisation redesign (completing projects in Urgent and Emergency Care, Mental Health and Critical Care) and developing training materials (including on e-LfH) to help build wider workforce redesign capacity.

We also trained a second wave of General Practice Assistants (GPAs) to support GPs by reducing the administrative burden to make best use of consultation time and support people particularly vulnerable to isolation who are regular attenders. Regional demand for GPAs was 230. 186 people were, or are being, recruited into training and a third wave will take place in 2022-23 due to demand.

# Performance Report

## Performance Analysis

Additionally, training on the HEE Star tool, which includes evidence based good practice for transforming ways of working, has been delivered to over 400 delegates, including 90% of Integrated Care Systems (ICSs).

We will continue closer working with NHSE/I and hold tri-lateral workshops to bring service transformation and workforce transformation together. This will support workforce redesign for the Elective Care Recovery programme and develop best practice resources to coordinate and share regional initiatives.

### 5. Strengthen the training, learning and development available to volunteers, carers and their families.

The **National Volunteering Hub** was introduced in 2021 to support, develop, design, and promote inclusive **education, training and development opportunities** for volunteers in the NHS, Social Care, communities and the Voluntary Sector. It encourages people who want to volunteer by providing accessible projects which embrace digital technology.

The main work streams include:

- **National Volunteering certificate** which has been trialed and achieved by 100 volunteers and we are evaluating a roll out nationally at 21 sites with a further 13 to be added.
- **Learning Hub** Content Curation and Creation
- **e-LfH Carers** training package use is being surveyed
- Employer Supported **Volunteering Opportunities**
- The **National NHS Volunteer Forum** and The **National Volunteer Portal**
- **Digital Innovation** in Volunteer Education, Training and Development
- **NHS Ambassadors**, which has 5,000 ambassadors, is being evaluated.

---

### Quality:

Deliver and quality assure with partners, education and training that is robust, highly sought after and future focused.

---

There are four strategic objectives associated with this priority:

### 1. Ensure learners' voices are heard and acted upon by using data and insight to measure the quality and experience of education and training

The **National Education and Training Survey (NETS)** gathered feedback from 25,961 students and trainees on their experience of working and training in the healthcare learning environment. We modified this year's survey with four questions focusing on student nurses and midwives and three questions on the impact of COVID-19. The key headline messages were:

- **87% of learners** rated their overall educational experience as **positive**, an increase from June 2021
- Learners experiencing **bullying or harassment fell by 1.6%** to 15.4%. Learners witnessing bullying and harassment has decreased by 2.5%.
- 94% of learners know how to raise concerns and 81% feel comfortable to do so, the same as the June 2021 survey.

The full NETS report can be accessed here:

<https://www.hee.nhs.uk/our-work/quality/national-education-training-survey>

# Performance Report

## Performance Analysis

### 2. Create the first system-wide and consistent NHS patient safety syllabus and education and training framework to improve NHS patient safety

We have created this syllabus with over **7,000 sessions of Levels 1-2 of the Patient Safety Syllabus** have been launched and completed within e-LfH with further participation via the Electronic Staff Record (ESR) and individual organisation's Learning Management Systems.

We are now developing levels 3-5, continuing to promote levels 1-2 and reviewing how the syllabus aligns to learning modules created by other organisations. We are also beginning to develop the evaluation specification and a longer-term economic analysis.

### 3. Work with health and care systems, system partners and regulators to regulate and improve the quality of clinical learning environments.

The refreshed **HEE Quality Strategy and Framework** was launched in December. Regional Quality teams work with local partners, education and placement providers to identify concerns and highlight good practice. We are also promoting the Framework's role in improving education and training.

Our new **HEE Quality Portal** provides a platform to identify and share areas of notable practice and findings to support local improvement. We have also introduced **national thematic quality improvement reviews** for in-depth analysis of a programme, profession or learning environment across regions starting with **Cardiothoracic surgery** and **Maternity**, in collaboration with NHSE/I.

### 4. Set out clear expectations for the quality of healthcare learning environments by embedding our HEE Quality Framework and Quality Strategy 2021-24.

In implementing the refreshed HEE Quality Strategy and Framework, we are piloting **an annual self-assessment tool** for placement providers, followed by a similar pilot for education providers. These will underpin the Framework and set clear expectations for the quality of learning environments.

We also played a role supporting the **NHS response to the pandemic**. We:

- **Deployed student nurses** in both waves whilst ensuring student wellbeing and support
- Started a Student Nurse and Midwives **Shared Decision Making Council**
- Supported students to **make up lost hours** when their programmes were affected
- Developed **learning resources** for deployed students
- Commissioned **COVID-19 Impact study** to understand the impact on our students.
- Ensured HEE continued to deliver for the NHS via **remote working**.



# Performance Report

## Performance Analysis

---

### Foundations for Success

---

Supporting delivery of our goals and objectives are five foundations for success.

#### 1. **Best Place to Work:** We will collaborate to maximise our individual and collective potential by becoming a great place to work

Two years ago, the Board committed to HEE becoming the **best place to work** with a particular focus on **equality, diversity and inclusion**. Happy, healthy, supported and engaged staff will have a greater connection to HEE, be more productive and better place us to meet our mission.

Through ongoing colleague engagement we identified **six strategic outcomes** around culture; rewarding staff; talent and diversity; staff development; staff engagement; and work environment. A series of projects underpin work to deliver improvements. We tested progress in an all-colleague survey which showed **75% would recommend HEE as a place to work**, a significant increase on 50% in 2018.

#### 2. **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 is committed to becoming a **Digital First** organisation with digital competence, investment and literacy being central to how we work. By becoming Digital First we can achieve more benefit, faster and in a more personalised way for service users. Some key achievements this year include:

- Content through **national learning platforms**, digital solutions, and inhouse creation developed and delivered learning to over **two million health and care staff at pace and scale**
- A new **Informatics Skills Development Network** to accelerate professional communities and create an **Artificial Intelligence (AI) roadmap dashboard** enabling solutions for specific workforce groups
- Launched the **NHS Knowledge and Library Hub**
- A new **National Web Platform** with a dental training hub and knowledge and library services
- Building on the **Digital Boards** programme and expanding it to ICSS
- **Building system level capacity and capability** in workforce redesign, equipping workforce leads with the tools and methodologies to better address challenges
- Successful commissioning a **midwifery, medical degree and nurse critical care training** including guidance to support development of fully integrated health education programmes
- Meeting standards for **Cyber Essentials Plus** and NHS secure email standard (DCB1596).

We also accelerate the **workforce's digital competence and maturity** through evidence, knowledge and digital innovation for transformation, education and training. We enable **greater use of digitally delivered learning** and apply digital technology and AI to use data from a range of systems to further strengthen workforce redesign. We are also expanding our **community of digital leaders** to understand the power of digital technology and build confidence and a culture of 'normality' around digital use.

#### 3. **Governance and decision making:** We will be well governed with fair, timely, robust and inclusive decision making

Good governance allows people to do their jobs safely and securely knowing they are protected and supported by the organisation to deliver inclusive, dispersed and accountable decision making.

We worked with the Good Governance Institute (GGI) to create a **Board Assurance Framework**. We also initiated **Be the Best Board We Can** to reform our Board committee and assurance processes, including a **new Quality Committee**. We will work with our partners to ensure the best of this approach is part of the new NHS England.

# Performance Report

## Performance Analysis

**4. Continuous quality improvement:** We will operate a culture of continuous improvement in the delivery of our priorities

**Performance Maturity** allows us to align strategies, plans and key business questions with metrics, monitoring and analysis to ensure our performance report are focused on our priorities.

We have **moved from level 3 to level 5** on the Performance Maturity Model which means performance data is used operationally and to inform strategic insight. Our improvement includes:

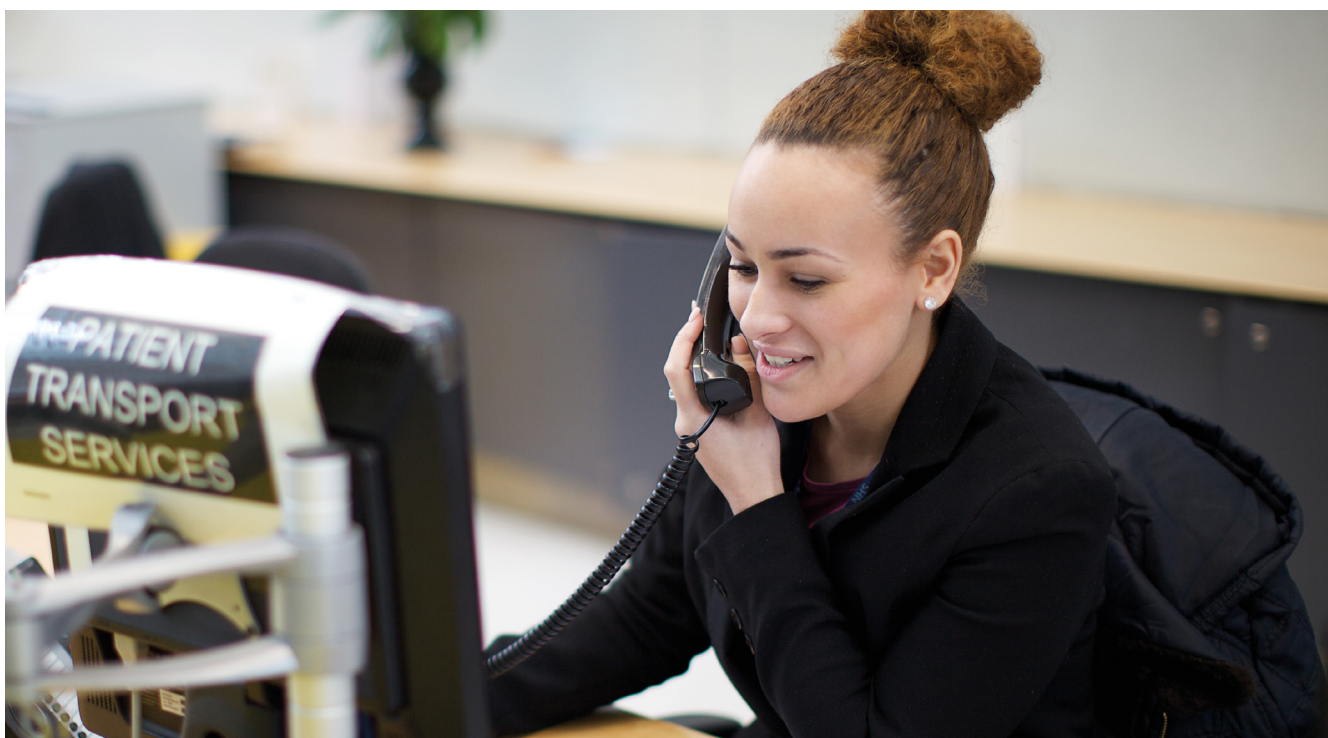
- Developing HEE's **Plan on a Page** to summarise how HEE's goals, objectives and ways of working interrelate to deliver our purpose
- Aligning the Plan on a Page with the **Business Plan and Performance Framework**
- Strengthening the role of the **Performance and Business Committee** and introducing **Regional Improvement Forums** to focus on improvement and more open performance conversations.

Regional Improvement Forums, involve senior national and regional leaders to discuss improvement on regular basis. Discussions cover how **regions are progressing against plans** and how they are **supporting their people** and **developing relationships** with system partners.

We will continue to focus on improvement and use this to inform the transition to a new NHS England.

**5. Partnership, Cooperation and Collaboration:** We will work with partners to deliver shared priorities to improve the NHS

HEE has long **established working relationships with a wide range of partners**, however, COVID-19 accelerated the pace of collaboration at strategic and operational levels. We continue to strengthen cooperation at place and system level to support **integration, workforce planning and transformation** at ICS level whilst also preparing for the new NHS England.



# Performance Report

## Performance Analysis

### Key Issues and risks to delivery

In addition to developing the Board Assurance Framework with a lense on maximizing opportunities (making risks positive) the Board continued to monitor HEE's risk exposure and potential future risks. The Corporate Risk Register includes strategic, operational, financial and delivery risks, as well as external threats.

During the year, none of HEE's principal risks have been identified as having a significantly high impact or likelihood rating, also known as a red rated risk. A summary of the risks monitored throughout the year is below.

#### Risk description

#### Key mitigation(s) in place

##### Implementing the GDPR

There is a risk that failure to implement changes required by GDPR may result in Information Commissioner enforcement/enforced audit, reputational damage and potential monetary fines.

The DSP Toolkit is one of several mechanisms in place to support health and care organisations in their ongoing journey to manage data security and data protection risks by measuring performance against the national data guardians 10 data security standards as well as supporting our compliance with legal and regulatory requirements such as the GDPR. An Independent Review of HEE's performance prior to our 2021-22 submission has taken place to inform our submission and future action plan.

##### HEE websites management

There is a risk the failure to enact HEE's Digital Strategy and manage our digital assets in a controlled manner, due to historic disparate managed of assets, will result in exposure to cyber security threats, potential data loss and reputational damage.

There is a risk the failure to enact HEE's Digital Strategy and manage our digital assets in a controlled manner, due to historic disparate managed of assets, will result in exposure to cyber security threats, potential data loss and reputational damage

##### Cyber Security

There is a risk that HEE's data security is compromised in the event of a cyber security incident leading to business disruption.

Despite a robust action plan in place to deal with cyber security matters, the Board recognise that as this is a largely external threat the risk will always remain so this area should always be kept under review and be subject to regular auditing.

##### Specialty Training Recruitment

###### *Risk now closed*

There is a risk in the delivery of postgraduate recruitment for August 2021, due to the new ways of remote selection introduced to mitigate the impact of COVID-19. This risk maybe increased with an expected increase in application numbers.

All specialties agreed plans that would enable recruitment to continue despite any COVID-19 surge. All specialties with the exception of Pre-Hospital Emergency Medicine (PHEM) remain digitally delivered. Additional 30 posts appointed as fixed term to support operational recruitment delivery within regional teams. Wider review has been commissioned to determine the correct resources and distribution of resources for 2023 recruitment and beyond. Regional Directors briefed and providing cross team support as required. PMDE Oversight Group now in place to ensure risk is being actively managed and reviewed regularly.

# Performance Report

## Performance Analysis

The Board recognise that success of HEE's transition to a new organisation with NHS England will be enhanced by focusing on delivery of what we are here to do, having an honest, open, and proactive dialogue with all the other organisations involved about the purpose, culture, strategy and governance of the new organisation. A robust programme to support the transition has been put in place across HEE, NHSE/I, NHSX and NHSX to minimise the risk of disruption to delivery and stability for our colleagues. The Board have received regular briefings on the activity underway in relation to the transition and will maintain a strong focus on this during 2022-23, in particular ensuring an effective close-down of HEE.

For more information about how we manage risks, see page 63.

Operational risk are managed within programmes, directorates and regions in line with HEE's approach to risk management, agreed March 2020. Further, HEE's approach to risk management was subject to an internal audit review during 2021-22, which confirmed significant assurance, with minor improvements required. HEE's Audit and Risk Committee have agreed to recommend to the Board during 2022-23 a continuation of the existing approach to risk management policy to support continuity until transition has taken place.

# Performance Report

## Performance Analysis

### Addressing local workforce challenges

#### COVID-19 Recovery

Throughout the COVID-19 recovery phase, all Regions have supported systems with workforce planning, transformation and programme management as well as utilising learning from the pandemic. We used the Multi professional Education and Training Investment Plan (METIP) process, working closely with ICSs, to align system demand for newly qualified staff with training numbers, identify shortfalls and allocate resources. This includes use of resources such as the Clinical Placement Expansion Programme (CPEP), and engaging placement providers to understand challenges.

Regions also supported doctors in training to get their training back on track. Recovery solutions have been individualised to recognise many trainees missed out on essential learning, while others gained clinically and professionally relevant skills. The focus has also been on ensuring that learners continue to be trained and placed in high quality training environments through working closely with our stakeholders.

#### Education Contract Implementation

Our Quality and Commissioning teams have implemented the new National Education Contract. The contract is key to improving the quality of education and training, driving change, and providing funding mechanisms. Through successful stakeholder events, individual meetings and working groups, the teams have secured wide agreement with contracting parties necessary for implementation.

#### Quality Framework

Our refreshed Quality Strategy and Framework was launched in December. The Quality team continue to provide face to face and virtual quality interventions and have successfully transferred activity onto the HEE Quality Improvement Register. We have continued to work closely with providers, Higher Education Institutes (HEIs) and regulatory bodies to share intelligence, offer support and collaboration to ensure clinical learning environments facilitate a workforce fit for the future.

#### METIP

To underpin our 2022 investment plan for students who graduate in 2025, we developed a document which describes the thinking behind the 2021-22 METIP submission, the key actions which need to be taken at system and regional level, regional profiles on 17 professions and guidance on using the document.

# Performance Report

## Performance Analysis

### North West

Our Nursing and Midwifery team continues to work with HEIs and providers to develop and support the nursing expansion target and are on the way to achieving 8,355 additional nurses in our region.

The cancer and diagnostics workforce continues to receive attention through the Cancer Workforce Plan and the wider diagnostics workforce agenda. To improve cancer survival rates, we are ensuring clinical and medical capacity is available to achieve earlier diagnosis. We also delivered the required growth of reporting radiographers, clinical endoscopists, clinical scientists and consultant clinical scientists, and focused on other transformative redesigns that include cancer nursing capacity. In addition, to support the growth and training of this workforce, we established regional imaging and endoscopy academies.

The North West continues to work with NHSE/I and the North West NHS Leadership Academy alongside ICSs as they continue to develop into statutory NHS bodies.

### East of England

Our Multi-professional foundation school is the first in the country and will see its first students in August. It will embed NHS values and a culture of multiprofessional working in our education of postgraduates, encompassing medicine, pharmacy and PA. This builds on the East of England's thriving and innovative medical foundation school.

Learning from COVID-19 our system Health and Care Academies switched to live virtual learning, hugely increasing their capacity. The new capacity has included adults from industries hit by the pandemic who may be interested in a health and social care career. The Academies deliver the "Get Ready" and "Get In" elements of the Talent for Care strategy and allow a joined-up approach to school engagement, delivering targeted health careers advice and exposure to students aged 14-18.

We are on track to achieve our part of the nurse growth target. Central to this been international recruitment and large intakes of nursing students. Nursing Associates are also a key part of our nursing workforce and we have successfully increased them by over 100 this year.

### Midlands

The Midlands Charter won the British Medical Journal Workforce and Wellbeing Team of the Year Award. An active community of trainees and trainers has developed because of this work, supported by HEE, leading to continual improvements in wellbeing.

Our generalist programme is the Enhanced Programme in Leadership and Social Medicine and will get its first trainees in August 2021. All faculty have been appointed with course and programme development well under way, with the first cohort of trainees being placed in Derbyshire Community Healthcare Trust.

Our Dental School has supported NHSE/I with a workforce transformation and recovery strategy focusing on multi-professional recruitment and retention of primary care dental staff through upskilling, peer review and support for overseas dentist joining the NHS. It was developed with Local Professional Networks, LDCs and HEIs to target dental access and inequality issues, particularly within rural and coastal areas. Our Dental Education reform pilots align to the Advancing Dental Care Review.

We have also expanded the Midlands' Behavioural Sciences Hub and put in a place a joint programme with NHSE/I to support our ICSs with the Mental Health workforce and achieving IAPT expansion targets.

# Performance Report

## Performance Analysis

### South East

We established an education collaborative in each ICS to strengthen education and workforce strategy, planning, and implementation. We also launched a School of Public Health to provide both specialty and practitioner training and development.

We significantly increased trainee numbers in diagnostics and cancer and, with NHSE/I, developed five Imaging Academy and Endoscopy Academy hubs to further develop multiprofessional high quality training aligned to priorities. Our Faculty of Advancing Practice has published comprehensive guidance to support development of advanced practice across services and build the future advanced practice workforce.

Working closely with mental health has increased the depth and breadth of education and training opportunities. Our IAPT training has greatly impacted our adult and children and young people's workforce. Focusing on sustainability and growth for AHPs we developed faculties, profession specific workforce steering groups for paramedics, podiatrists, radiographers, operating department practitioners and created regional HEI forums for paramedics and podiatrists.

We have expanded our successful student nurses councils to more professions to ensure we hear learner perspectives when planning and delivering education and learning. A good example is the collaborative working on inclusion and preventing nurse education attrition.

### North East and Yorkshire

With the Yorkshire and Humber Academic Health Science Network (AHSN) we created a Workforce Challenge Hub which will develop and deliver workforce transformation in priority and complex areas with ICS partners and upskill colleagues in transformation leadership and delivery, ensuring scalability and lasting impact.

We worked with NHSE/I to design and deliver short, medium and long term workforce solutions in cancer and diagnostics through our programme board, workforce board and the academy model across radiology, imaging and diagnostics including healthcare science and endoscopy.

We significantly supported an 'ICS + Region' approach to people issues by introducing a Workforce Insight pack, which upskills leaders in interpreting workforce data and supports a common understanding of workforce opportunities and challenges among partner organisations.

Working closely with system leaders we developed an innovative approach to multi-year workforce modelling which accelerates system understanding of future workforce direction, priorities and challenges.

We have invested in clinical placement expansion to help meet the nursing workforce growth target. We also delivered our midwifery expansion target and expanded the TNA role with growth in primary and social care. We're also working with faculties on a range of initiatives around AHPs, including an Aspiring Allies website in West Yorkshire to raise the profile of AHP careers, which will be rolled out to the region.

# Performance Report

## Performance Analysis

### South West

We collaborated to deliver an effective education recovery programme, minimising impact upon learners and trainees and continuing the future supply pipeline. With education partners we enhanced the health and wellbeing offer to learners, building on HEE's support and wellbeing offer.

We responded to People Plan priorities and local workforce challenges with our ICSs partly by promotion and use of the HEE STAR. We co-created a future way of working with the emerging BSW Academy to promote HEE's Adopt and Spread methodology across all ICSs. With the Staff College we used a Scenario Planning concept to think about future service need and workforce, education and training needs.

We expanded medical training aligned to workforce and service need, including Core Psychiatry, Clinical Oncology, Clinical Radiology, Gastroenterology, Histopathology and Medical Oncology and filled 316 GP training posts. We are also working to better understand the distribution of training posts to ensure we meet population need and help level up health equality.

We increased endoscopy training capacity including improving intelligence about the whole endoscopy workforce through two new clinical endoscopy sites. We also expanded psychological therapies training with over 380 places on modality programmes while our Psychological Professions Network is now firmly embedded. We expanded new roles in Children and Young Peoples services by 43% and created a Mental Health Workforce Forum to help fill 1000 vacancies.

We ran MSc pilots in mental health and pharmacy to improve Advanced Practice (AP) opportunities and our Education Supervision Fellowship model for Primary Care has been identified as a national exemplar. Our AP campaign used digital media with over 3,000 users accessing and listening.

The School of Pharmacy and Medicines Optimisation has worked with partners to increase the workforce pipeline through initiatives to increase training infrastructure and trainee numbers. We commissioned 17% more trainee pharmacist posts in secondary care and have seen a 73% increase in demand for pre-registration pharmacy technician apprenticeships.





# Performance Report

## Performance Analysis

### London

To help services develop workforce plans aligned to their requirements we developed a blended learning programme about the six step guide to integrated workforce planning which has been rolled out across the region and has now been made available nationally.

We enrolled over 500 new ACP trainees including in key target areas such as Learning disability and autism, mental health, ophthalmology and critical care supported by our podcasts, newsletters and webinars which promote AP roles and highlight good practice in trainee supervision.

Northwest London piloted the Maternity Support Worker (MSW) Competency, Education and Career Development Framework via apprenticeships. We coordinated data collection to map our MSW workforce and developed a network by funding a project lead for each Local Maternity and Neonatal System (LMNS). All Trusts have submitted bids for NHSE/I funding and we are working towards framework implementation in all maternity Trusts.

We provided over £2.6 million of clinical placement expansion funding to providers, delivering nearly 2,400 more placements across midwifery, nursing and AHPs. Our Capital Nurse Self Care Guide for Students with self-management tips for learners on placements has been adapted and released nationwide. Our new Clinical Academic Careers programme resulted in multi-professional fellowships for nurses, midwives, AHPs and Health Care Scientists on internships, pre- and post-doctoral fellowships.

With Building Bridges and the Refugee Council we supported 15 refugee health professionals to work towards becoming registered practitioners. They will receive core training, careers guidance, complete language assessments and Preparation for Work Placement training.

Our Pan London Fair Share Practice Placement model for occupational therapy, physiotherapy and speech and language therapy in partnership with Trusts and HEIs has allowed us to establish AHP Faculties in every ICS providing the infrastructure for system-wide working between providers and HEIs to increase AHP workforce supply, support education and training and ensure we retain staff.



# Performance Report

## Performance Analysis

### Innovative routes to workforce growth and development

#### Working with the World Health Organisation (WHO)

With the WHO we work to strengthen workforce resource for health systems. In Kyrgyzstan we explored accreditation systems for medical training and in Ukraine we are assessing Human Resources for Health information systems to recommend appropriate action. In North Macedonia we are continuing to help develop a geriatric and palliative care centre and contribute a framework for elderly care. The Year of the Health Care Worker Programme between HEE and the WHO seeks to strengthen workforce planning in target countries and support the UN's sustainable development goals. To strengthen our WHO relationship further we are seeking accreditation as a WHO Collaborating Centre.

#### Talent

We have been worked with Salford University and the Tropical Health Education Trust on leadership development for early career nurses through online virtual communities of practice. The two-year pilot saw over 300 nurses from 8 different countries complete the programme.

#### Fellowships

We provide opportunities for NHS staff to work and learn with and from global partners, including two new sites this year in Thailand and Anguilla. In response to COVID-19 we went virtual but have now restarted physical placements with two cohorts recruited for February and August. To broaden participation we piloted remote, part time and hybrid fellowships, virtual volunteering, mentoring radiology staff and research partnerships. Continued expansion is anticipated through co-funding plans and the ambition to support NHS staff across all ages and stages of their career to benefit from global experiences.

#### UKOTN

In April 2021 we funded 82 NHS Trusts to support provision of English Language (EL) training to unregistered overseas trained nurses working as healthcare assistants (HCA) in England. The programme aimed to facilitate NMC registration. So far, 345 HCA's have passed their EL proficiency exams and 81% say the training helped them to feel more confident communicating with patients and 83% that the training has made them feel more valued in their job.

#### AHP Incubatory Pathways

We developed new Migratory Pathways for paramedics which are on course to recruit 100 paramedics from Universities in Australia and New Zealand and 100 experienced paramedics from around the world. After scoping the global Podiatry profession we developed a new Pathway for podiatrists and are on course to recruit 25 from Spain. We have also drastically expanded the volume of diagnostic radiographers able to join the NHS through our existing pathway and are on course to recruit 125 for the NHS.

Other approaches to growing and developing the workforce are also delivered by HEE.

# Performance Report

## Performance Analysis

### Apprenticeships

The NHS pays approximately £200 million annually in apprenticeship levy, which we help the NHS use to create employment opportunities and grow the workforce. This year we have seen the best years yet since the technical education reforms and the apprenticeship levy was introduced with the highest spend yet. Over 86,000 NHS apprentices have started their learning journey since the introduction of the levy with approximately 25k new apprentices starting in the NHS so far this year.

Our apprenticeship work has continued to develop apprenticeships and we have engaged over 700 different employing organisations in the Trailblazer development programme. We have directly supported over 90 Trailblazers (employer groups developing occupational standards, in Health and Science, and other routes such as education, leadership, business). Our most popular apprenticeships are Registered Nurse Degree, Nursing Associate Assistant Practitioner, Senior Health Care Assistant, Health Care Support Worker and Senior Leader.

This year we built on our work to support employers and apprentices by supporting apprentices with End Point Assessment (EPA) flexibility to stay on their programme during the pandemic and are now ensuring apprenticeships feature strongly in recovery planning. Health and other public sector areas have the highest apprentice retention rates following the pandemic, and apprenticeships feature in workforce plans and early talent pipelines.

The apprenticeship team are influential in national apprenticeship fora - Apprenticeship Ambassadors, Industry Skills Board, The Institute for Apprenticeships and Technical Education and able to harness the collective learning from employers, professions, education and wider to bring about lasting and sustainable policy change to support levelling up, and widening participation and its impact on social mobility and inclusion.

Ongoing support for system-wide procurement, levy transfers for providers, and levy transfer partnering with c£25 million levy transfers into health and social care apprenticeships brokered. We continue to grow our EPA collaboration with universities, national providers and the Government bodies - to ensure quality, best practice and EPA access for clinical apprenticeships as well as aligning EPAs for regulated roles with Institute for Apprenticeships and Technical Education (IfATE) policy changes. This year we have set up more support for education providers to engage with Quality in apprenticeships through engagement learning and working with Ofsted and Ofqual.

We have ensured we continue to support progression and build aspiration and ambition by supporting readiness for further study, and help improve literacy, IT, numeracy, and functional skills qualifications, which are essential to all apprenticeships.

Over 18,000 learners from 130 employers used our functional skills tool to support staff with numeracy, literacy and ICT skills and we continue to run multiple support sessions supporting employers in Skills for Life planning. Over 1000 learners from 20 employers have registered for their functional skills exams before the end of the academic year so far. In addition, we continue to build our support for digital skills through our Digital Champions and support our national English for Speakers of Other Languages (ESOL) strategy is growing in strength through our practice group, comprised of practitioners, teachers, ESOL speakers and other colleagues.

Our ENIC commission, from the UK National Information Centre for the recognition and evaluation of international qualifications and skills allowing employers to check the UK equivalence of overseas qualifications. Over 500 health and social care staff have progressed their career as a result.

# Performance Report

## Performance Analysis

### Widening Access and Participation

The aim of Widening Access and Participation (WAP) activity is to tackle health inequalities and improve social mobility by championing social justice, raising awareness of career/job possibilities, and removing systemic and individual barriers to empower and encourage access to and participation in employment, education, and training.

HEE commit to advocate, create, and promote equality of access to opportunities that are accessible to all, fostering and supporting a diverse and inclusive culture to grow our own workforce, reflective of the communities it serves.

The Talent for Care Step into Work programme has now engaged with over 500 participants who were in receipt of working age benefits, leading to an increase in employability skills and over 30% moving into employment within health and social care settings. To further assist employers, teachers and career advisors organise high quality experience placements, at the start of 2022 HEE relaunched revised versions of its four existing toolkits and launched an additional toolkit to assist with the delivery of online work-related learning programmes. To date there has been over 3,000 hits recorded for toolkit user engagement.

As part of HEE's commitment to share, discuss and collaborate across the health and social care systems, our WAP team established the 'National Work Experience Network' which now has circa 440 NHS staff members across over 130 NHS organisations coming together to share all matters Work Experience, and is proving to strengthen communication and networking across the system. Alongside this HEE have run a series of Live Events, including Online Third-Party Provider and Learning from the NHS Live Events, reaching over 1,200 NHS staff members.

HEE has continued to work in partnership with the Prince's Trust and the Department for Health and Social Care to deliver the National Health and Care Princes Trust employability programme. To date over 1,700 young people, aged 16-30, have been offered jobs, with over 1,300 gaining employment within the Health and Care sector. The programme is proving successful in widening access and increasing diversity with 36% of participants from BAME backgrounds and 26% recruited from indices of multiple deprivation decile 1 (IMD1) postcodes. The delivery model has been adapted and developed creating partnerships with third party providers, supporting programme reach and scale up, targeting specific demographic groups, including care leavers and young men.

Through HEE's Access to Medicine and the Professions programmes, WAP continue to support workforce supply, expand diversity, and stimulate participation for underrepresented and marginalised groups within undergraduate healthcare education. Most recently, the team expanded their remit to support recruitment into Allied Health Professionals, Dentistry and Pharmacy. Through a series of events and webinars throughout 2021, the team have reached over 3,200 students across over 280 schools from the most deprived areas.

The Social Mobility Foundation 'Aspiring Medical Professionals Programme' which is aimed at non-traditional entrants and individuals from marginalised groups who show interest in medical careers has supported 250 students into the city programme and a further 70 for summer residential.

Over the last year HEE has also re-established its national Widening Access and Participation Oversight Board with members from across the organisation including Chief Executive Dr Navina Evans, and key heads of departments. The board shows significant progress in HEE's commitment to WAP activity and is pivotal in aligning strategic direction and quality assurance. This further enables WAP being the golden thread running throughout all that HEE do to improve both patient care and opportunities for those accessing education and careers in the NHS.

# Performance Report

## Performance Analysis

### Volunteering

Volunteering has continued to be central to the pandemic response with volunteers stepping forward to support the NHS. Following being established in 2020, the National Volunteering Unit has continued to develop programmes around the training, upskilling, development and support of volunteers. Key achievements include the 22 pilot sites reviewing the impact of the Skills for Justice Accredited National Volunteering Certificate with the target of over 100 volunteers achieving the award to date. The contribution of over 5,000 NHS Ambassadors was recognised as a runner up in the Charity Times Award for Charity Collaboration of the Year. We are developing bespoke pathway for chaplaincy volunteers and are working with trusts in support of the Burdett Trust for Nursing pilot to create innovative volunteer to career roles.

The team are capitalising on technical and digital innovations through the development of animations and early discussions around developing a national volunteering website. We continue via the Learning and Development Policy to encourage all HEE colleagues to set aside up to 5 days each year to aid their personal development and make a difference to their local communities. Our 'ABCDE' approach allow colleagues to volunteer for a charity of their choice for up to five days in time when they would usually be at work. The impact of accessing the days was evidenced in the HEE Volunteering Survey which highlighted the breadth of benefits gained through accessing a volunteering opportunity via the ABCDE approach.

### Corporate Social Responsibility

Throughout the COVID-19 recovery phase HEE's primary focus is to support the NHS in having the workforce it needs to provide world class care for all, free at the point of need. Nonetheless, as a public sector body, HEE is keen to continue to support and promote good causes beyond its statutory responsibilities and particularly those causes that HEE colleagues are passionate about.

HEE colleagues have continued promoting, supporting, and celebrating a wide range of charities and causes made particularly challenging due to the pandemic. However, through the pandemic recovery phase, it has not stopped colleagues from being creative and inventive, giving their time and raising thousands of pounds for charities.

HEE continues via the Learning and Development Policy in place to encourage all HEE new and existing colleagues to set aside up to 5 days each year to aid their personal development and make a difference to their local communities. Known as our 'ABCDE' days, this allows colleagues to 'do their bit' by volunteering for a charity or cause of their choice for a day in which they would usually be at work.

We are extremely proud of all our colleague's charitable work, continually celebrating and promoting these through our internal communications. Many colleagues have made strong connections not only with local charities but have also used this to keep in touch with their colleagues in a social and wellbeing setting throughout the pandemic and recovery.

### Respect for Human Rights

Over and above our statutory responsibilities and in accordance with the principles of the NHS Constitution, we are committed to respecting and promoting the human rights of all NHS staff, stakeholders, and partners, as well as NHS patients and those communities in which we operate. To achieve this, we are constantly striving to maintain the highest standards of quality in all our work and in the employment and learning environments that we support and provide.

# Performance Report

## Performance Analysis

### Sustainability and Environmental Matters Report

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. The correlation between sustainability and health are directly linked, our future actions will help to ensure that sustainable, high quality health service continues to be delivered.

HEE's Sustainable Management Development Plan is clear that as a national NHS system leader we recognise the links between health and the environment, and that climate change and the depletion of finite resources represents a growing threat. We are committed to long-term development and take our responsibilities to the wider community seriously. We acknowledge the potential impact our activities have on the environment, so we aim to ensure that environmental management and sustainable development are integral to our working agenda. Over the course of 2021-22 considerable work has taken place to revisit and refresh our Sustainable Development Management Plan, ensuring we are aligned with Net Zero NHS and Greener NHS initiatives, the United Nations (UN) 2020 Agenda for Sustainable Development.

In October 2021 Dr Navina Evans pledged HEE's commitment to a greener NHS in honour of COP26. Through those pledges and our Business Plan we have committed to publishing our Sustainable Development Management Plan in 2022-23, outlining how HEE is committed to tackling its impact on the environment, reducing our carbon footprint, using our resources wisely and educating every future clinician about sustainability and the net zero initiative. HEE is already active in many areas of sustainability alongside UK government and UN's 17 goals for sustainability, and recognises the need to align current and future work into one sustainability programme. By aligning HEE's activities to the UK Government 2030 and United Nations 2030 agendas as part of the internationally recognised seventeen global goals for sustainable development we will ensure the work we do contributes to national and global ambitions and efforts.

Over 100 sustainability activities are already planned to take place over the next 12 months. This work, captured within the SDMP will be reviewed quarterly and annually to ensure we can meet 2040 and 2045 net zero carbon emissions targets. To support the work already taking place we are engaging with colleagues to support thinking on sustainability best practice and what is required to adopt a continuous improvement approach, with a view to ensuring sustainability becomes a business as usual activity. As we all gain a clearer understanding of sustainability and greener NHS net zero goals the sustainability programme will develop and adapt, contributing to sustainability improvement and business efficiencies will contribute to carbon emissions reductions and financial savings.

By taking a programme approach to our sustainability activities there will be a positive impact for our colleagues and our business, sustainability improvements expected to be achieved are:

- Reduced organisational carbon emission, cost and energy saving.
- Improved environmental benefits
- Improved health and wellbeing of colleagues, partners and learners
- Reduced inequalities regionally, nationally and globally
- Increased learning and awareness of sustainability for trainees and staff.

HEE is pleased that for the first time we have been able to report a carbon footprint baseline in 2021-22. This will support our measurement of the impact of the programme and direct our focus to areas where we can achieve reductions in carbon emissions and support us with articulating our targets in this area.

# Performance Report

## Performance Analysis

The Sustainability Programme is being mapped to “Our People, Our Business, Our Influence” and in addition to existing and planned areas for development which will form a part of the programme, we will be mapping our Business Plan to the UN’s 17 Sustainable Development Goals to support our articulation of how HEE contributes to this agenda more broadly.

### 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.

As a result of home working throughout the COVID-19 pandemic, in line with government guidance, we virtually eliminated staff business travel, delivering a huge reduction in travel-related carbon emissions. However, acknowledge that during 2020-21 as we began to take a greater hybrid approach to delivering our work carbon emissions as a result of travel will have increased.

As part of our response to the pandemic our major assessment and recruitment events were held online to prevent trainees, recruits and panel members having to travel. Hosting events online has also brought non-reliance on external venues, reducing catering costs and food wastage, and further cost-savings.

HEE’s carbon emissions from business travel in 2021-22 were 33.37 tonnes of CO<sub>2</sub>, determined as set out in the table below:

### Scope 3 official business travel emissions

Consumption Type	Unit: Miles	Carbon Emission (TCO <sub>2</sub> e)
UK domestic	15,027	1.95
Short haul international	26,873	2.17
Long haul international	225,349	17.62
Travel by train	368,385	13.07
London Underground	7,182	0.20

### Waste and Recycling

Waste can present significant risks to the health and safety of staff, public, and environment leading to prosecution and reputational damage. 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 arrangements. We continue to work with our facilities management providers to explore new and innovative ways to reduce the environmental impact of any unavoidable waste we generate. Waste is usually produced within our office environment, with colleagues largely working from home over the last year we have produced very little office waste. Of the waste produced by our ICT activities, six tonnes were reused externally and six tonnes were recycled. At the present time for reporting purposes we monitor waste volumes to ensure we are diverting waste from landfill, but do not have available any carbon emissions data involved with the waste being processed.

# Performance Report

## Performance Analysis

### Procurement

We aim to realise sustainable development through procurement and contracting. The public sector must demand sustainability from its supply chain as it is responsible for ensuring public money used for goods and services maximises social benefit. 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.

### Built Environment

We operate from a varied leased estate across England in NHS Property Services and other provider managed properties. Where possible, we rationalise our estate by applying our principles of estate management. When making improvements, we aim to provide the best possible working environment for staff, whilst ensuring sustainability. Our Property Asset Management Board oversees all estates activity, sharing best practice to ethically meet the needs of our workforce.

We have improved the sustainability of our physical estate in 2021-22 by consolidating of our two Leeds sites into one.

### Direct and indirect emissions from energy, water and other resources

At the present time we are unable to provide total expenditure on direct and indirect emissions from energy, water and other resources energy during 2021-22 and we continue to work with NHS Property Services and our landlords to obtain costs and unit measurements for future reporting requirements. There was no investment in carbon offsetting.



# Performance Report

## Financial Review

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.

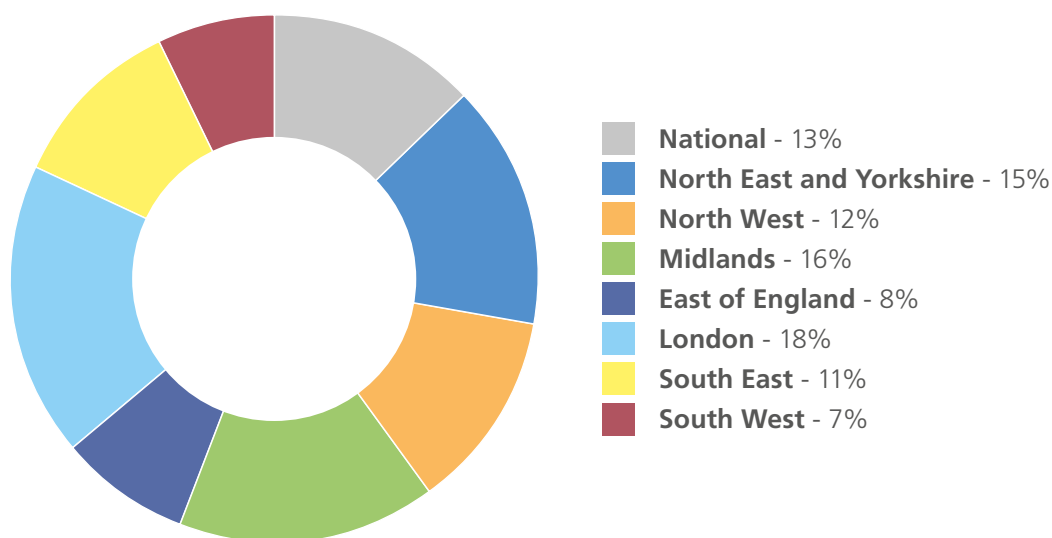
As such HEE contributes to the education and training costs within Trusts, Higher Education Institutes, GP surgeries, dental practices and many voluntary and private providers.

The financial statements show comprehensive net expenditure for the year of £4.8 billion (2020-21 £4.3 billion) which represents a £111 million underspend against budget.

Our expenditure is categorised into several distinct areas; the majority focused 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 nationally and across our 7 regions and within these categories.

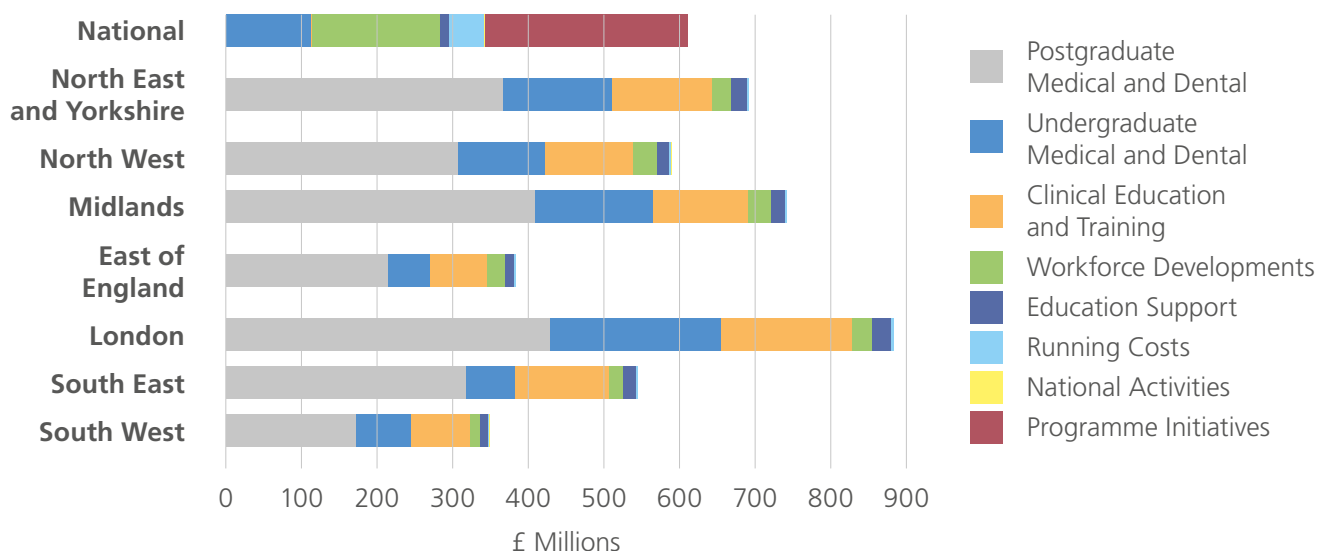
### % allocation of net expenditure by region 2021-22



# Performance Report

## Financial Review

### Allocation of net expenditure across categories by region 2021-22



Capital expenditure has delivered an underspend of £0.9 million against the £2 million budget mainly due to limited new investments identified in the year coupled with reduced investment in our estate whilst property lease arrangements are reviewed to determine the appropriate models to support future ways of working. Cash balances remains strong, and the closing cash position reflects £80 million underdrawn against our allocation.

### Key Highlights:

Revenue Resource  
Limit Underspend  
**£111 million**

Capital Resource  
Limit Underspend  
**£0.9 million**

Cash Limit  
Underdrawn  
**£80 million**

### 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 for Health and Social Care retains responsibility for the approval of the Education and Training tariff. The education activity is established through collaborative assessment of the local and strategic demand in relation to the local, regional, and national education supply pipeline. The METIP must be affordable within the allocation of funding received by HEE.

2021-22 METIP is the first time a corporate plan had been established through this process. Development of the 2022-23 METIP has included a more detailed approach to ensuring deliverable plans have been developed along with further development of the education funding policy.

# Performance Report

## Financial Review

### New NHS Education Contract

The new NHS Education Contract formalises the relationship between HEE and providers. The contract replaced the Learning and Development Agreement (LDA) which is no longer fit-for-purpose or supportive of the leadership role HEE has across healthcare education and training. It also replaced any existing Memorandum of Understandings and Service Level Agreements prior to 01 April 2021. The contract is designed to run from 01 April 2021 until 31 March 2024, to include funding for education, placements and workforce development commissions.

The new NHS Education Contract became the single contract for HEE's core activity. This includes funding for placements, workforce development and CPD (as outlined above). Anything which falls outside of the scope of the NHS Education Contract requires commissioning and procurement; a new standardised Education and Training Services Contract has been introduced for this purpose. This approach ensures stronger accountability and contractual management for services being delivered.

The new NHS Education Contract provides this standardisation allowing for local services to be tailored appropriately to meet education and training needs.

### Integrated Care System Education Funding Statements

From December 2020, HEE commenced the production of statements that show its financial contribution to the education and training delivered in each of the 42 Integrated Care System (ICS)/Sustainability Transformation Partnership (STP) geographic footprints. This work supports the draft NHS People Plan intention to enable ICSs to become a new level for workforce planning. The first issued statement was retrospective, including funding information only, provided in the 2019-20 financial year.

During 2021-22 we have built on this work and the second iteration of the statements included both retrospective information for 2020-21 financial year and prospective information, detailing the indicative funding for financial year 2021-22. They also included the activity expected in return for that investment. The statements were made available via regional teams to share with their local systems from August 2021, with system communication and engagement being led by Regional Directors and their teams. The longer-term aim is for this information to assist systems in influencing HEEs investment decisions.

### COVID-19 Recovery

During multiple waves of the pandemic, many trainees were redeployed or had elective learning opportunities cancelled.

HEE's Postgraduate Deans have led a range of initiatives to enhance and augment training opportunities, including improving access to training in the independent sector, facilitating trainee movement between employers, and accelerating digital and remote training solutions. With support from the £30 million funding to invest into Trust, regional and pan-England recovery solutions. By investing into Postgraduate Medical and Dental (PGMDE) now, the programme aims to achieve significant savings on extensions, which pose a financial risk to HEE and the service, as well as a personal financial risk to individual doctors.

### Looking Ahead

DHSC have received a multi-year spending review settlement covering the three financial years 2022-23 to 2024-25. As we prepare to transition into the new NHS England from 01 April 2023 we will continue to work closely with NHSE to agree the education and training plans required over 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.

# Performance Report

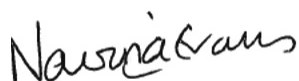
## Financial Review

### 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 2021-22 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
<b>NHS</b>	6,076	5,863	96%	4,025,727	3,980,354	99%
<b>Non-NHS</b>	48,019	46,112	96%	613,251	591,114	96%



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# Accountability Report

# 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 2021-22, 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 47.

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 67.

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 Houses of Parliament. The report starts from page 94.

# Accountability Report

## Corporate Governance Report | Director's Report

Our Board has a diversity of skill, experience, and approach, which underpins our decision-making. Our Board's purpose is founded on independence and diverse thinking to set strategy and constructively challenge the organisation to perform at its best.

Our Board Members during 2021-22 were:

### Non-Executive Directors



**Sir David Behan CBE**  
Chair



**Professor Soraya Dhillon MBE**  
Non-Executive Director



**Andrew Foster CBE**  
Non-Executive Director and  
Senior Independent Director



**Professor Andrew George MBE**  
Non-Executive Director



**Dr Liz Mear**  
Non-Executive Director



**Professor John Latham CBE**  
Non-Executive Director



**Dr Harpreet Sood**  
Non-Executive Director



**Sir Andrew Morris OBE**  
Associate Non-Executive Director

# Accountability Report

## Corporate Governance Report | Director's Report

### Executive Directors



**Dr Navina Evans CBE**  
Chief Executive



**Professor Wendy Reid**  
Director of Education and Quality,  
and Medical Director



**Calum Pallister**  
Director of Finance



**Professor Mark Radford CBE**  
Chief Nurse, and  
Deputy Chief Executive



**David Farrelly**  
Chief Operating Officer,  
and Deputy Chief Executive



**Giles Denham CBE**  
Director of Strategic Relationships



**Jo Lenaghan**  
Director of Strategy



**Vikki Matthews**  
Director of People and Culture



**Patrick Mitchell**  
Director of Innovation,  
Digital and Transformation



**Laura Roberts**  
Director of Skills Development and  
Participation (to December 2021)



**Rob Smith**  
Workforce Planning and  
Business Intelligence Director



**Lee Whitehead**  
Director of Corporate  
Accountability and Engagement



# Accountability Report

## Corporate Governance Report | Director's Report

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

There were no changes to voting members of the Board during 2021-22. During the year, the Chief Executive appointed two Deputy Chief Executives. It was recognized that as a result of the move to a new organisation, HEE's Chief Executive would be required to apportion a significant amount of time to support that activity. In order that the work of HEE could continue unimpeded, a need was identified to provide support for the Chief Executive by appointment of two Deputy Chief Executives to take additional responsibilities for a limited time. The current Chief Operating Officer, David Farrelly and Chief Nurse, Mark Radford, were appointed to these roles. From April 2022, David Farrelly was appointed by the Non-Executive Directors as a voting Executive Member of the Board. In respect of Executive Directors attending the Board as non-voting members, Laura Roberts left HEE in December 2021 and Giles Denham was invited to sit as a non-voting Executive Director at the Board in September 2021. 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.

Biographies for the Board Members can be accessed at:

<https://www.hee.nhs.uk/about/how-we-work/our-leaders-structure>

Details of Board remuneration can be found in the Remuneration and Staff Report at pages 67 to 93.

### 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 118.

# Accountability Report

## Corporate Governance Report | Director's Report

### Our governance structure

#### 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 three Executive Directors, with a fourth appointed with effect from 01 April 2022. The number of Executive Directors on the Board must not exceed the number of Non-Executive Directors. During the year one non-voting Associate Non-Executive Director has also attended the Board and seven non-voting Executive Directors regularly attend 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 (previously Performance Assurance Committee)
- People and Culture Committee (previously People Committee)
- People's Advisory Forum (previously Patient Advisory Forum)
- Seven Regional People Boards and Local Education and Training Boards.

An additional Committee, the Quality Committee has been in development throughout 2021-22 as part of the Board's response to its effectiveness review and implementation of an improvement plan "Being the best board we can be".

Committee Chairs report to the Board following each committee meeting and in the latter months of 2021-22 we have established the provision of 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 124 at Annex 2.

The HEE Board and the National People Board resolved to establish seven committees in common, to be known as Regional People Boards (RPBs) and Local Education and Training Boards (LETBs). A common Terms of Reference was developed and adopted by the RPB/LETBs as they became established. The seven new boards have been constituted with RPB Chairs in place, these being senior system leaders within the regions.

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.

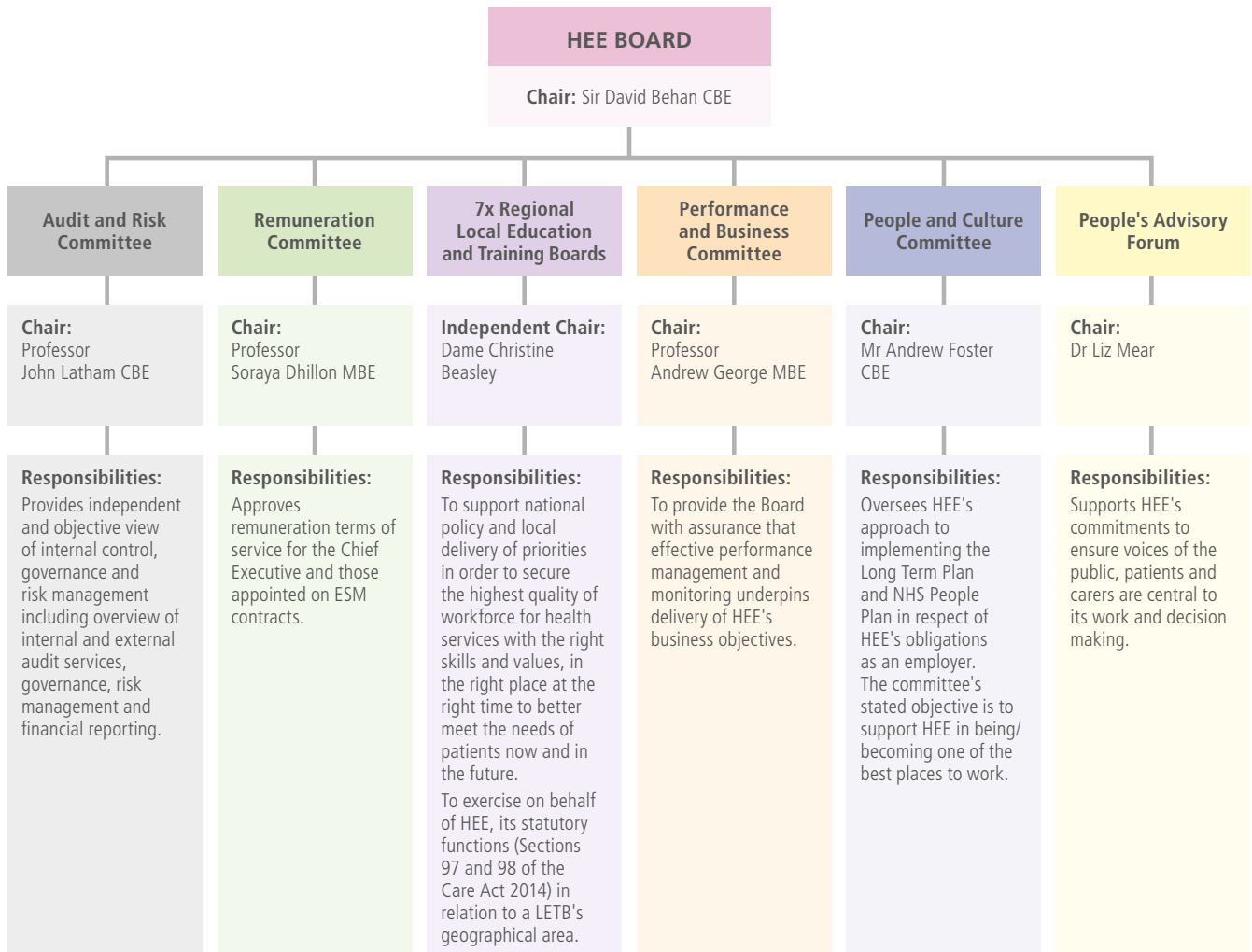
An overview of the Board and Committee framework is shown on page 51 and individual Committee reports, can be found on pages 53 to 57. The terms of references for each Committee are on the website as part of HEE's Standing Orders.

# Accountability Report

## Corporate Governance Report | Director's Report

Our governance and accountability structure for 2021-22 is:

### Board and Committee Structure at 31 March 2022



# Accountability Report

## Corporate Governance Report | Director's Report

### 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.

### Board Activity

Throughout the year the Board has met remotely, for public and private meetings, workshops and briefing sessions. Meetings of the Board in public have been live-streamed, with a recording made available online afterwards to enable the public and stakeholders to view them.

At quarterly intervals, the Board has considered in public the Finance Report, the Performance Report and the Board Assurance Framework. The Board has also:

- Considered aspects of Education Reform, including the Medical Education Reform in terms of the Enhancing Doctors in Postgraduate Training Working Lives report; Nursing Education Reforms and advancing dental care through reforms in the dental education
- Given focus to our expansive programme of work and key achievements in relation to widening access and participation, including HEE's role in supporting a future workforce aligned to the Levelling Up/health inequalities external agenda
- Approved and published ICS funding statements to support health systems to influence and inform HEE's investment decisions and planning processes
- Reviewed the development and operation of Regional People Boards (RPBs), including information on how the meetings are performing and how the domains of the Local Education and Training Board (LETB) are being met via the Regional People Boards.
- Considered and agreed HEE's Global Health strategy 2022–2025
- Discussed maternity safety, in particular the recommendations arising from the publication of the Interim Ockenden Report in December 2020 and progress against HEE's implementation of the 7 immediate actions that emerged, ahead of publication of final report in March 2022.
- Considered international evidence that shows how education and training interventions can make a difference to communities with health inequalities and social deprivation, and how this might be deployed in England as part of the Rural and Coastal Programme
- Reviewed HEE's role in supporting the reset and recovery of NHS services following the COVID-19 pandemic, hearing examples of work across the regions with tangible actions undertaken to support recovery
- Maintained focus on its priority of HEE becoming the Best Place to Work, through regular briefings.

# Accountability Report

## Corporate Governance Report | Director's Report

### Audit and Risk Committee

The Committee provides independent and objective assurance to the Board on how HEE manages its system of internal control, governance, and risk management. This includes an overview of internal and external audit services and financial reporting.

The Committee met seven times. The Chair is Professor John Latham CBE. There are three further Non-Executive Director members and it is supported by the Board Secretary and Director of Finance. Attendance at Audit and Risk Committee is available in Annex 2 at page 125, and additional attendees are invited to assist with Committee business. For 2021-22 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 provided the Board with regular updates on its key duties which include:

- reviewing HEE's risk profile, the management and mitigation of current and emerging risks and ensuring that all corporate risks have an accountable director and delegated risk owner
- evaluating the effectiveness of HEE's control environment
- assessing the integrity of HEE's financial reporting and satisfying itself that any significant financial judgements made by management were sound
- considering relevant reports from the NAO on HEE's accounts and the achievement of value for money
- commissioning and receiving internal audit reports on the adequacy of internal control systems, risk management and corporate governance
- reviewing the activities of internal and external auditors, including monitoring their independence and objectivity
- assuring the Board that management responses to internal and external audit recommendations are implemented
- oversight of the organisation's arrangements for counter fraud.

In addition, key activities have included:

- appointing a new internal audit provider for HEE
- considering areas for review by internal audit, approving the 2021-22 work plan
- receiving Director updates on outstanding internal audit actions and key risks relating to their respective Directorates
- ensuring delivery of 2020-21 Annual Report and Accounts and preparations for the 2021-22 Annual Report and Accounts
- reviewing NAO reports on their audit work
- receiving reports at each meeting on corporate risks, updates to the status of internal audit recommendations, financial controls and the management of HEE's legal cases
- working jointly with the Performance and Business Committee in understanding HEE's approach to value for money.

# Accountability Report

## 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 twice during 2021-22. 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 Board Secretary and the Director of People and Culture.

Attendance at Remuneration Committee is available on page 125.

# Accountability Report

## 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 four times. 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 126. Additional attendees are invited to assist with business. For 2021-22 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. In response to the Board's action plan, Being the best Board we can be the Committee has spent development time seeking to understand and develop its approach to assurance of business matters alongside performance. Working jointly with the Audit and Risk Committee, members have begun to delve into understanding HEE's approach to value for money and agree an approach to providing assurance in this area.

### People and Culture Committee

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

The Committee has met 5 times through the year. The Committee Chair is Mr. Andrew Foster CBE, and there are three further Non-Executive Director members and four Executive Director members. The Committee is supported by the Board Secretary. Member attendance at People and Culture Committee is available in Annex 2 at page 126.

The Committee has maintained a 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 placed emphasis on oversight of HEE's Best Place to Work programme, mirroring the Board's ambition for the organisation and the importance of this programme to the Board. The Committee has also focused on analysis of Workforce reports with a particular focus on the gender pay gap and the action plans linked to the Workforce Race Equality Standards (WRES) and Workforce Disability Equality Standard (WDES).

# Accountability Report

## Corporate Governance Report | Director's Report

### People's Advisory Forum (PAF)

While COVID-19 restrictions have meant that the PAF members have not been able to meet in person this year, the group has remained focused on supporting HEE's 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.

Under the guidance of Dr Liz Mear, HEE Non-Executive Director, the group has strengthened its leadership with the appointment of PAF member, Phil Hough as co-chair. Phil is a carer of 35 years with significant experience supporting and championing national and local work across the NHS and in social care and has been a member of PAF since 2017. Professor Mark Radford is the Senior Responsible Officer. Throughout 2021-22 the group has started to systematically monitor the impact that its input is having on HEE's business and over the coming months look to how we enable PAF to engage with and hear the voice of our students.

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. Several members have completed their term of office. We are currently recruiting new members and will have new members joining the group in quarter one of 2022-23.

While PAF has been unable to meet face to face, the group has continued with its quarterly meetings cycle using Microsoft Teams 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 Mental Health. 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 Chair and CEO regularly join the discussion at the PAF meetings.

#### **Dr Liz Mear, HEE Non-Executive Director and Co-Chair of PAF, said:**

*"HEE's Board 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. For this reason, strengthening our leadership with the addition of a co-chair from PAF made complete sense and has proved invaluable to our work."*

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

*"Ensuring that the lived experience of patients and the public feeds into HEE's work is critical. Since I joined PAF, the forum has gone to strength to strength and it's heartening to see how much HEE's Board recognises our value, ensuring not only that we have a direct mechanism to feed into their meetings, but also by taking the time to attend our meetings themselves."*

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

*"Our PAF members' diverse range of backgrounds, talent and lived experience provide important and valuable insight to a range of HEE programmes across the board. In this way, their contributions impact our work for the better and help us to support the provision of top-quality care."*



# Accountability Report

## Corporate Governance Report | Director's Report

### Local Education and Training Boards

The LTP set out the vision for a new service model with clear focus on population health, prevention, out of hospital and personalised care, reducing health inequalities, and better use of NHS technology. This transformation requires a whole system approach to achieving the LTP's aims and objectives, with the NHS and ALBs working together regionally across organisational boundaries to provide support, advice, guidance, and assurance to the newly forming ICSs.

In 2021-22 HEE continued its prior agreement with NHSE/I, PHE and ICSs/STPs that the most effective and efficient way to implement People Plan priorities and support ICS/STP workforce plan delivery is to strengthen our workforce infrastructure through ICS/STP People Boards and Regional People Boards; to provide visible, joined up strategic leadership, governance and support. RPBs and LETBs meet as committees in common of the HEE Board and the National People Board. The seven boards are constituted with RPB Chairs in place, these being senior system leaders within the regions. Dame Christine Beasley acts as Independent Chair, with linkages to all LETBs.

RPBs met regularly throughout 2021-22. Their focus has been supporting the system and its workforce needs in responding to and recovering from the COVID-19 pandemic, as well as the delivery and implementation of the People Plan. The LETB element has been covered as an intrinsic part of business as the pandemic required all system partners to respond collectively in a pragmatic and practical way. The Board of HEE received assurance on how the domains of the Local Education and Training Board (LETB) were being met through these arrangements in May 2021 as part of an annual cycle of review.



# Accountability Report

## Corporate Governance Report | Statement of Accounting Officer's Responsibilities

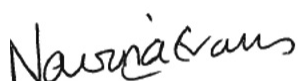
Under the Care Act 2014, the Secretary of State for Health and Social Care, with the approval of the Treasury has directed Health Education England to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an 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:

- Observe the Accounts Direction issued by Secretary of State for Health and Social Care including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- 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 as Accounting Officer of Health Education England. 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 our 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 2021-22, 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.



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# Accountability Report

## Corporate Governance Report | Governance Statement

This governance statement covers HEE's control and management of resources during 2021-22. Details of HEE's background and its operating context, including our Mandate from the government and Framework Agreement with DHSC are set out at page 9.

### Our Governance Framework

HEE operates within a governance framework that includes, the Primary legislation, Statutory Instruments and Directions that describe our core functions and duties, our Mandate from the government and Framework Agreement with the DHSC, matters determined by our 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 is based on the standard element of a statutory integrated board with a single Accounting Officer and national Executive Directors. HEE's key governance and assurance policies include Standing Orders, Standing Financial Instructions (SFIs), Scheme of Delegation, Risk Management Framework and the Board Assurance Framework (BAF) which operate as an integral part of the three lines of defence model.

Information on our Board and its Committees is set out at pages 50 to 57.

### 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 are reflected by the arrangements we have in place, that there have been no departures from the Code and that we continue to introduce measures to strengthen our governance overall. There are several provisions within the Code not applicable to HEE, these are set out at Annex 3.

We are aware of our need to support the Secretary of State for Health and Social Care duty to manage health inequalities. Through fulfilling our 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.

# Accountability Report

## Corporate Governance Report | Governance Statement

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

The Board has overseen measures to further strengthen HEE's governance in 2021-22, implementing a stronger 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. All BAF opportunities have an Executive Director lead and are assigned to the relevant Board committee in line with its terms of reference. The BAF is summarised at Annex 4. Board and Committee reports presented in 2021-22 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.

In July 2021 the Board considered and approved an improvement programme, responding to the findings of the Board Effectiveness Review conducted in Spring 2021. The improvement programme, titled "Being the best board we can be" approved making the following changes to committees to address some of the potential gaps in assurance highlighted earlier:

- A Quality Committee (QC) should be created, responsible for overseeing the work nationally and locally around HEE's statutory duty to ensure, and improve, the quality of clinical education and training. This helps place quality more centrally and supports the quality framework refresh. Development work on the Committee took place over the autumn and winter of 2021-22, with the first meeting being held in April 2022.
- The Performance Assurance Committee should ensure assurance around business operations such as Digital First, core education and training delivery, and Operating Model. Therefore, it should be renamed the Performance and Business Committee (PBC). A development workshop took place in January 2022 to take stock of the expanded remit and ensure future plans for assurance received through the Committee address these areas.
- The People Committee should be renamed the People and Culture Committee (PCC) recognising that its remit across Best Place to Work also encompasses values and behaviours, WRES and WDES.

To strengthen HEE's unitary Board it was agreed that Executive Directors should be appointed as members of the Performance and Business and Quality Committees, to align with the approach taken to membership of the People and Culture Committee. These appointments were made by the Board in March 2022. It was agreed that the Audit and Risk and Remuneration Committees would remain NED only committees.

# Accountability Report

## Corporate Governance Report | Governance Statement

To increase regional presence and interaction in our governance structures the Board agreed:

- A Regional Director should attend each committee
- The PBC should consider regional variation in approaches to delivery of priorities to understand whether there are areas of good practice which can be spread and adopted across the regions.
- The Board should receive regular assurance on Regional Delivery Plans.
- The Board should hold 'regional issues' sessions bi-annually.

To respond to member feedback from the Board Effectiveness Survey:

- HEE would appoint a Senior Independent Director (SID). The Board appointed Andrew Foster to serve as SID for 12 months from 1 September 2021, and Professor John Latham to serve for 12 months from 1 September 2022. The process will be revisited mid-way through. The SID role description is consistent with that used across the NHS.
- The PBC should investigate how to assure more effectively on integrated finance and performance and partner's delivery of shared priorities.

It was agreed that the Board would rotate between public meetings and strategy workshops. Committees now also meet during 'workshop months' between public meetings. This aims to improve the flow of matters to Board, give members space to discuss strategy collectively, and ensure the committees can assure effectively.

### Whistleblowing and Freedom to Speak Up

We are committed to championing the need for openness and transparency. In line with Sir Robert Francis QC's Freedom to speak up review, we have focused on whistleblowing as a key priority. We have 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 considered, advised, and supported the establishment of the HEE network of FTSU Guardians, and during 2021-22 met with both HEE's FTSU guardian and the national 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 is used to inform quarterly reporting to the National Guardian's Office and to inform HEE's Board via the People Committee. These forms are being revised based on learning from their use thus far and on feedback received.

The HEE Guardian is also supported by the Lead Non-Executive Director, Dr Liz Mear, and can approach her directly if he needs to raise concerns.

# Accountability Report

## Corporate Governance Report | Governance Statement

The HEE Guardian is supported by the Lead Non-Executive Director, Liz Mear, and was able to approach her directly if he needed to raise concerns. Following Liz Mear's departure from the Board in May 2022, Harpreet Sood has taken on Lead Non-Executive Director responsibilities for Freedom to Speak Up matters.

Guardians have had 50 colleague encounters in the 2021-22 reporting year. Some individuals have spoken more than once. The Freedom to Speak Up Guardian's Annual Report to the HEE Board summarises the cases brought to Guardians in this year in the format of the National Guardian's Office reporting portal, this report can be accessed here: <https://www.hee.nhs.uk/about/how-we-work/board-meetings-papers/hee-board-meeting-17th-may-2022>. The demographics of those that responded show a range of genders, ages, ethnicity, disability, sexual orientation, and religion. It should be noted that as some colleagues were speaking up about discrimination the percentages are not presented as they may give skewed reassurance. HEE's Guardian is also working with colleagues and HEE's legal advisers on supporting protected disclosure and HEE's role as a 'proscribed person'.

HEE's Guardian has also supported the creation of a Guardian network in NHS Digital and the review of the NHSE/I Guardian network. In addition, he has contributed to the review of the Guardian's 'Principles for Speaking' up as part of the National Freedom to Speak Up Partnership Group.

Themes and learning points are reported to the NGO quarterly, and are detailed within the Guardian's annual report, presented to HEE's Board annually.

Reporting is required when cases include patient safety or quality issues, bullying and harassment, worker safety and detriment for speaking up. Cases this year included patient safety or quality, and bullying and harassment, but none relating to worker safety and no reported detriment for speaking up.

It is noteworthy that 42% of discussions included bullying and harassment, including micromanagement, and reported lack of support. This has been reported to be both by HEE colleagues and external individuals. Individuals have been supported to act on bullying, harassment, and undermining. This has also been found in colleague survey responses and regions and directorates are responding supported by HR and the Best Place to Work programme.

There were many reports of discrimination based on race and disability. Including a cluster around a single incident. A number were historical that were reported once the Guardian network became more diverse. Against this is also a criticism of the promotion of equality, diversity, and inclusion. Discrimination has been explored with the CEO and ED&I colleagues and HEE has declared itself to be on a journey to becoming an anti-racist organisation with consequent actions in train. There is evidence of lower trust in speaking up from colleagues with minority characteristics. We are working with the BAME network and ED&I colleagues to better understand barriers to speaking up and are working together to address these. Many reports related to concerns regarding HR processes including capability processes and secondments.

Based on the quarter 3 report this was discussed at the People and Culture Committee and further with the Director of People and Culture who is addressing this in her reforms. We will work together to encourage colleagues to use HR systems for such matters in the first instance whilst retaining the ability to speak up. Colleagues also spoke up about concerns regarding workload, staffing levels and capacity. We have not had any colleagues speaking up about the forthcoming reorganisation in this reporting year.

We will continue to work across the organisation to raise the FTSU profile and to understand and address barriers to speaking up.

Dr Navina Evans has initiated discussions with NHSE/I colleagues seeking to support co creation of a new FTSUG culture.

# Accountability Report

## Corporate Governance Report | Governance Statement

### 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. An internal audit review of HEE's approach to risk management in Quarter 4, reported significant assurance in our processes with minor improvement opportunities identified. Our management response to these findings will be implemented by the end of July 2022.

Our Executive Team reviews our corporate risk register regularly. The register is also considered quarterly 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.

A summary of HEE's strategic risks, including those which at points in time have posed significant threat to HEE's objectives is at page 27. Through the Performance Report (pages 14 to 44) we detail activity undertaken to proactively manage our risk profile.

### Fraud Prevention, Anti-Corruption and Anti-Bribery

HEE promotes an anti-fraud culture and investigates fraud allegations relating to our functions as well as ensuring we have the right processes in place.

During 2021-22 HEE worked with DHSC 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) where they are investigating frauds which relate to HEE.

HEE's Audit and Risk Committee (ARC) receives regular updates regarding the development of HEE's counter fraud plan with the establishment of a Counter Fraud Panel that looks at the organisation's risks. In 2021-22 HEE reviewed potential areas of risk with our Counter Fraud Panel, and reports have been presented to the Audit and Risk Committee, along with reports of any suspected cases and their progress. A cash loss of £430k due to a fraudulent incident is reported in the Parliamentary Accountability and Audit Report, Regularity of Expenditure on page 95. The Audit and Risk Committee and senior management have been informed of this incident and are being regularly updated on developments whilst this is being investigated. Key processes and controls within HEE Finance have been reviewed and strengthened following this incident.

HEE's actions against fraud, bribery and corruption comprise 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.

# Accountability Report

## Corporate Governance Report | Governance Statement

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

### 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 is our designated Caldicott Guardian, with responsibility for confidentiality of personal data and information sharing.

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

The DPO and the Information Governance Team monitor 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) coordinates 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.

NHS Digital's internal audit service has reviewed HEE's baseline DSPT submission, to provide independent third-party assurance and validate HEE's assessment as an accurate measure of compliance. The findings of this assessment mirrored the standards not met reported by HEE's Information Governance Team. An action plan is in place to respond to the areas where standards are not met. DSPT requirements that need more work in order to demonstrate compliance will be addressed as part of HEE's transition due diligence programme in 2022-23. As part of this, HEE will engage with other ALBs transitioning into the new organization to ensure we are assessing evidence that standards are met consistently and that service standards are better aligned ahead of the 2022-23 DSPT submission.

The Information Governance Team consists of seven specialists that provide advice and guidance nationally on all aspects of information handling and security, privacy, GDPR, system developments, incident and information risk management as well as information management, to enhance compliance with required standards to reduce data loss and cyber security risk. A range of IG training sessions are available to staff, designed to enhance awareness of Legislation and GDPR, Information Risk Management, Incident Management and general safe and secure information handling. For further detail on HEE's Annual incident summary, Serious incidents reported and Data Protection Impact Assessment summary for 2021-22 refer to Annex 5.

During 2021-22 HEE has worked through a robust assessment to regain Cyber Essentials Plus certification, as the requirements have been strengthened to include areas of cyber security not reviewed previously such as cloud security. Recertification was awarded March 2022.



# Accountability Report

## Corporate Governance Report | Governance Statement

### Review of Internal Controls

HEE benefits from a well-established regional delivery model that continues to evolve. This allows us to avoid unnecessary duplication to ensure we remain operationally and financially sustainable. We have taken measures to maintain this organisational discipline as our future governance structure adapts to align more beneficially with the wider system.

We have consolidated staff resource across national supporting functions, Human Resources, Communications, Finance, Procurement, Information Technology, Information Governance and Corporate Governance. During the year the Executive responsibility for these portfolios has been reviewed and some elements redistributed to ensure we deliver those services consistently against clear governance standards that are communicated and understood by the whole of HEE.

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 our internal auditors, as well as managers in the organisation with responsibility for the development and maintenance of a robust internal control framework.

Assurance has been provided to the Board through adoption of the Board Assurance Framework which has driven the agenda and focus of Board meetings and by its Committees with matters escalated as required. The effectiveness of our internal control system has been reviewed by the ARC, which has received a range of reports from our Head of Internal Audit.

Our internal audit service is provided by KPMG. Our 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 2021-22. Through the year we have reviewed and revisited the internal audit plan with ARC to ensure we could retain flexibility with the plan and focus on emerging areas of need, such as the Best Place to Work Programme, global and overseas operations and HR business processes.

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 six were considered to give significant assurance with some minor improvement opportunities and three were considered to give partial assurance with improvement opportunities. The three areas for with partial assurance related to: Cyber Security, Education Contracts and Responding to External Data Requests. In relation to education contracting data and data used to respond to external requests the reviews identified areas for improvement in relation to the consistency with which data is identified, processed and reported on. In relation to cyber security the review identified areas for improvement in respect of completion of HEE's cybers security strategy and business continuity arrangements. Areas of good practice as well as these areas for improvement were identified in each of the reports. Management accepted the findings and have put in place action plans to address the areas for improvement. The actions responding to the findings on the Education Contracts review have all been implemented. There were no reviews graded as "no assurance with improvements required".

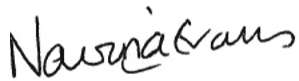
The reviews and plan overall recognised that there has been a significant amount of investment by HEE in strengthening our assurance mechanisms. This has included defining our strategic objectives for inclusion within the Board Assurance Framework, a review of which has taken place during the year.

Our Head of Internal Audit's overall opinion for 2021-22 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.

# Accountability Report

## Corporate Governance Report | Governance Statement

Overall, my review confirms that HEE has a generally sound system of governance that supports the achievement and our aims and objectives. We remain committed to demonstrating progress with our organisational governance arrangement and ensuring these remain robust as we work through our transition to the new organisation.



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# Accountability Report

## Remuneration and Staff Report



### Moving HEE and our people towards our cultural ambitions

HEE can be proud of its progress in 2021-22 to develop an inclusive and supportive culture within the organisation. We strive to create a fair, inclusive environment for our people, where colleagues can thrive, feel respected and heard, and can give their best. A lot of the work we undertake on culture falls under our Best Place to Work programme (BPW). Whilst our transition to the new organisation holds an exciting, yet undetermined future for HEE, we remain committed to becoming an exemplary employer. We have a dedicated BPW project team to enable this, and we work with stakeholders across the organisation to implement projects and initiatives under our six strategic BPW ambitions (discussed below).

As we move into the transition with NHSE/I, NHSD and NHSX it's more important than ever that we strengthen and build on our cultural ambitions. To help deliver this we are transitioning from a HR and OD function into a People and Culture Directorate which will move the function from one largely focused on policy and transactional work to a people focused service, designed to support HEE's strategic and cultural ambitions.

This section of the report presents:

- An overview of our people demographics
- Details the steps we are taking to become the Best Place to Work
- Outlines how we are fostering a supportive and inclusive culture within HEE
- Lastly, we will outline the remuneration of our people and senior team as required by the government's financial reporting manual.

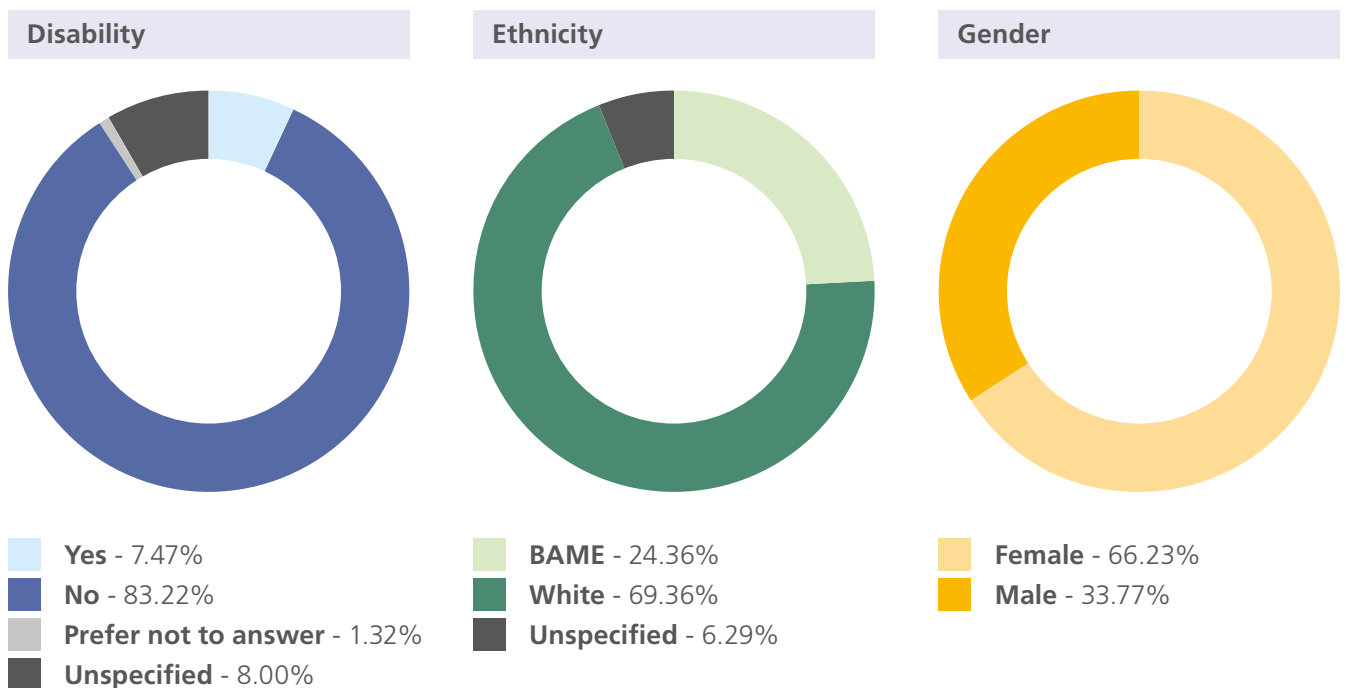
# Accountability Report

## Remuneration and Staff Report



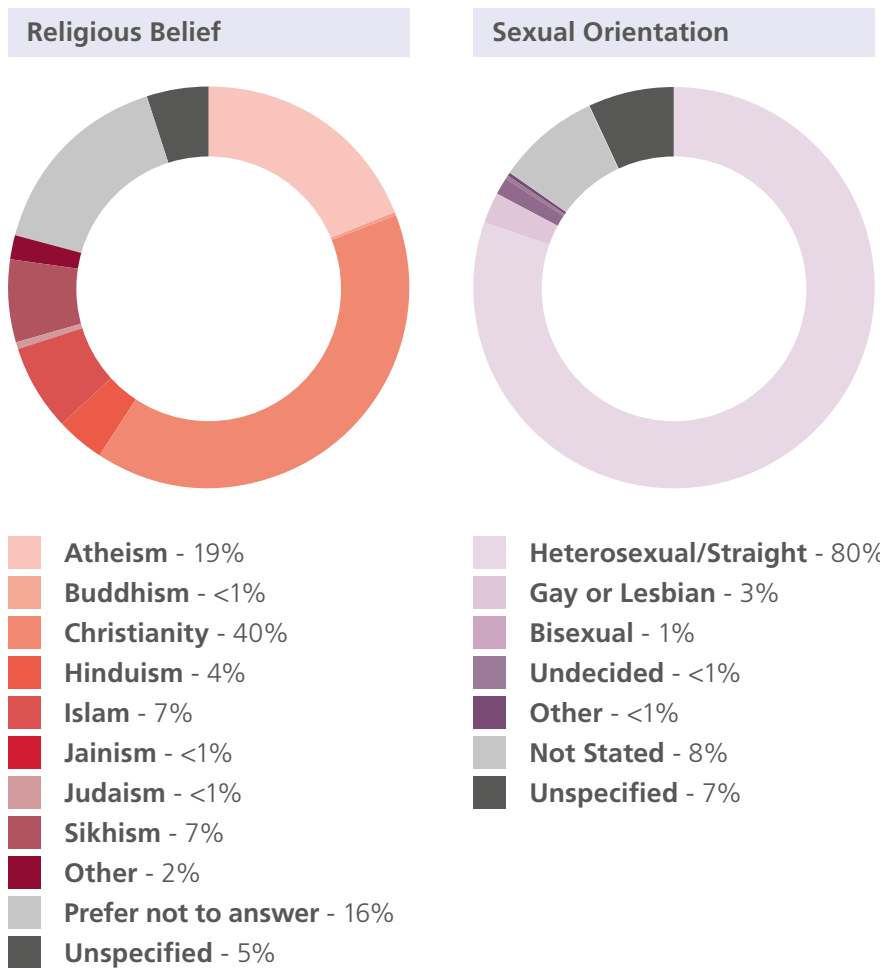
### Our people

As of 31 March 2022, HEE had a directly employed workforce of 3,733. Our people 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.



# Accountability Report

## Remuneration and Staff Report



The pie charts above show that as of 31 March 2022, 7% of our employed workforce identified as having a disability (2021 was 7%), 24% identify as BAME (2021 was 22%) and gender makeup is 34% Male and 66% Female (2021 was 35% Male and 65% female).

This year, we have also included information on colleagues identifying as LGBT+ which shows 4.58% (2021 was 4.13%), and a breakdown of religious beliefs.

# Accountability Report

## Remuneration and Staff Report

Grade	Female	Male	Total
Band 8 - Range D	46	23	69
Band 9	18	13	31
Medical and Dental	522	493	1015
ESM	12	11	23
Grand Total	598	540	1138

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, 598 are female, and 540 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 vs women was 18% in 2021 compared to 20% in 2020.

As of 31 March 2022, of our non-executive directors, two are female, and six 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 remain focused on our six strategic outcomes, against which, all activity is tested to ensure progress is made and value is added. We are proud of the progress we have made during 2021-22 and we will continue to gather feedback regularly so we can continuously improve the colleague experience at HEE.

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

In April 2021, we launched our new Values and Behaviours framework which was shaped and co-created by our employees. As a result of the “We are HEE” engagement exercise in 2020-21, four values were identified that would become part of everything we do at HEE, these are being responsible, fair, confident, and inclusive. Our leaders and guest speakers from across the NHS held a series of webinars focusing on each of the values, what they mean and how they will be embedded. Further work is now underway to embed these values into our people and business practices to ensure that they are brought to life as part of the way that we work and cooperate.

In January 2022 a new role of Director of People and Culture was created to drive improvements within the Human Resources and Organisational Development (HR and OD) Directorate and a tenable step change in focus, from largely transactional services to the threefold aims of:

- Developing and stewarding the organisation’s culture, in partnership with colleagues in Equality, Diversity and Inclusion and the broader leadership community
- Building on the work to develop a new HR operating model for HEE with focus on quality improvement and customer focused people services
- Ensuring a smooth transition to NHSE/I

# Accountability Report

## Remuneration and Staff Report

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

Through our Best Place to Work Programme, we continue to recognise the achievements of colleagues within HEE, in full acknowledgement of the extremely challenging context that our colleagues have worked through over the last couple of years. This year we have seen 122 individual colleagues, and 34 teams nominated in our Staff Recognition Awards, with 31 individuals and 7 teams being recognised in 2021-22. Awards were independently judged against the NHS values and advancement of HEE's objectives. This year's achievements included those who had embodied our values in their work, who showed commitment, professionalism and integrity to the work we deliver, and those who demonstrated strong leadership. We also continue to recognise dedication and commitment to the NHS and this year 12 colleagues were rewarded for 25 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.

In January 2022, the HEE Careers Capability project, that sits within the Best Place to Work Programme, embarked on an inclusive recruitment project. This work will help us to improve and diversify our talent acquisition at all levels of the organisation, but most visibly at senior levels, where we know that some groups are underrepresented. To do this we have enhanced our People Analytics capabilities through each stage of the recruitment process to assess outcomes for groups with protected characteristics. We have also started work to make role descriptions more straightforward, more inclusive and set out in a way that considers those with diverse needs, such a clear essential versus desirable criteria, and encouraging those applying under the Disability Confident Scheme. We have increased our role advertising reach, ensured all advertisements use anti-bias language before going live and diversified our selection panels. We will continue to make improvement in areas like selection criteria, assessments, recruitment training, guidance, and support for applicants.

Our Graduate and Student Placement Scheme received 1429 applications in 2021, nearly 2.5 times more than in 2020, and we were pleased to recruit 23 into positions across the organisation. Of those that applied, 45.2% were BAME, 52.71% were white and 2.08% didn't disclose their ethnicity. Of those that we recruited 25% were BAME (2020, 8.7%), 71% were female (2020, 70%) and 12.5% identified as having a disability (2020, 0%). We know that diversifying our talent pipelines is key to our equality, diversity and inclusion (EDI) ambitions and we will continue to focus on the diversity of who we recruit and build on recent successes. We were very pleased to retain eight of our graduates from the 2020-21 cohort, and many of those who went back to university to complete studies or remained as bank staff members.

*"My apprenticeship is the reason I am where I am today. I left school and went into a clinical job, all my work experience and qualifications were in Health and Social Care so I was at a bit of a loss when I realised a clinical role was not for me. A business administration apprenticeship got my foot in the door into administrative and project work. Within my first 3 months at HEE, I progressed from a band 2 to a band 4, 19 months later I am now on an internal secondment as a band 5 and continuing to develop everyday!"*

We continue to promote our apprenticeship programme to attract new colleagues to HEE and to allow our current employees to enhance their skills through one of our programmes. Our apprentices are invited to join the Association of Apprentices which allows apprentices of Public and Private sector organisations to network and support each other. We also completed a week of activities as part of the apprenticeship week, this included supplier webinars, "share and learn" sessions and a coffee and chat session with Dr Navina Evans, Chief Executive. In 2021-22 we welcomed 24 new apprentices to the organisation, whilst 29 existing colleagues undertook an apprenticeship programme with us. Of all of those who joined in 2021-22, 70% were female, 20% identified as BAME and 15% identified as having a disability.

# Accountability Report

## Remuneration and Staff Report

### **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.

The Idea’s Lab is 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.

The Change Hub was launched in January and is an open session for all colleagues to participate in the Best Place to Work programme. The group considers new proposals for programme activity and gives everyone a voice in change. Colleagues can also use the group to get involved in delivering the programme, by participating in an activity they have a particular interest in which supports both development and personal network building across organisational boundaries.

In July 2021 we launched our “We are HEE” colleague survey which for the first time was opened to all colleagues, including educators, secondees, contracted and temporary staff. The survey sought to understand how far we have moved towards our objective of becoming the best place to work. Nearly 2000 colleagues responded, and the results were analysed against the results of the 2018 NHS Staff Survey. Questions were grouped into Best Place to Work themes and reasonable comparisons were made between the results of both surveys. Across our six Best Place to Work themes, we saw noticeable improvement in Culture, Inclusivity, Development and Wellbeing. For example, 45% more people would recommend HEE as a place to work in 2021 compared to 2018 highlighting the strong improvement we have made in the culture of the organisation. In the twelve comparable inclusivity questions we saw notable improvement of nine of these since 2018, with staff feeling much more involved in decision making even though there has been a reduction in team get togethers due to COVID-19. In terms of development, 28% more people say they have completed learning and development in the past 12 months than in 2018 and 67% said they could access the right learning and development opportunities compared to 53% in 2018. We also made significant progress in wellbeing since 2018 with 60% fewer people feeling pressure from managers to come to work and 36% fewer people having worked despite not feeling well enough.

Despite this progress however, mixed results were seen for recognition and there was insufficient data to gauge changes in performance around Talent. Whilst colleagues generally had a more positive experience of working at HEE in 2021 compared to 2018, disabled people report an average experience of work that is notably below average and those of BAME origin report a slightly below average experience. This difference is not acceptable, and we are focused on improving it through our culture, EDI and specifically through our action plans for WRES and WDES.

In February 2022 we gave colleagues another opportunity to express their thoughts and feelings in our ‘We are HEE’ pulse survey which was designed to elicit feedback on the issues that were raised from the Colleague survey. There were also opportunities to express thoughts and ideas in an online conversation about inclusivity and our future organisation with NHSE/I, NHS Digital and NHSX, of which almost 3,000 colleagues contributed to.

### **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 available to our workforce and have seen 476 learning requests approved through continuing professional development offers - a 92% increase on the prior year. In addition, the Learning and Development service have worked with NHS Elect to provide access for colleagues to over 140 webinars and virtual workshops, a range of development opportunities in the form of online courses and a variety of lunch and learn events throughout the year which focus on health and wellbeing and achieving our goal of becoming an anti-racist organisation.

Our highly commended Management Development Programme continues to provide the opportunity for our line managers to develop their skills, with 476 either enrolled or completing the programme in 2021-22.



# Accountability Report

## Remuneration and Staff Report

Below is a quote from one of our managers who has recently completed the Management Development Programme, summing up their experience.

*"The programme has helped me tremendously as a manager, it has provided me with the tools and techniques to build my confidence in supporting my team. We had excellent facilitators who guided us through this journey and supported cohort four to become such a cohesive tight group. One most invaluable takeaway from this programme is the amazing relationships built throughout, sharing experiences, and supporting one another. Although the programme has come to an end we have formed legacy groups to continue our journey together. I cannot recommend it enough! Fantastic!"*

In response to both positive feedback on the Management 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 Management Development Programme and has already enrolled 50 colleagues.

### **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 remains focused on the health and wellbeing of our colleagues in HEE. This year we appointed new suppliers for both our Employee Assistance Programme (EAP) and Occupational Health service (OH). We recognise that some colleagues need support to balance the pressures of work and home life and the procurement of our EAP gives colleagues and their immediate family members access to 24/7 support. Additionally, managers can refer employees to our OH service which is designed to support individuals with health problems to remain at work or provide them with adequate support to be able to return to work.

We 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 have trained 16 colleagues to become mental health first aiders through an internationally recognised course designed to support identification of the signs and symptoms of mental ill health and provide help on a first aid basis. An additional 16 colleagues will be trained shortly to increase our capacity for this important work.

We have introduced a flexible annual leave policy, which is designed to enable a healthy and flexible work/life balance and reduce presenteeism. The policy focuses on the options for buying additional leave and "banking" leave to take at a later stage. This was developed to support the principles of the Workplace Wellbeing Charter and has been developed in consultation with HEE's Policy Working Group.

# Accountability Report

## Remuneration and Staff Report

### Sickness absence data

One important measure of our organisational health is our sickness absence rates. The overall sickness absence rate for 2021-22 was 2.31%. This is an increase of 0.54% from the previous year and as a result the average sick days per employee has increased 1.19 days. Whilst the results from our colleague survey showed people are less likely to feel pressured to work when they are sick than in 2018, we are still concerned that the dramatic shift to home working during the pandemic could cause the potential for presenteeism. We plan to do some focused work on this during 2022-23 as part of our approach to wellbeing.

	2020-21	2021-22
<b>Days available during the period (full time equivalent)</b>	866,051.65	985,978.61
<b>Days lost due to sickness during that period</b>	15,329.80	22,788.79
<b>Sickness absence rate</b>	1.77%	2.31%
<b>Average sick days per WTE</b>	4.01 days	5.2 days

Our turnover rate for 2021-22 was 10.61%. This is a 1.14% increase on the prior year. We recognise that there is a risk that our turnover will increase as we transition to NHSE and we will be working with our leadership community to put retention strategies in place so that we can retain as many of our talented colleagues as possible, ensuring that they are able to support HEE's ongoing ambitions post transition.



### Equality, Diversity and Inclusion (ED&I)

The 2021-22 financial year saw the organisation make significant progress in respect of achieving its inclusion ambitions especially in relation to the "Our People" element of the Diversity and Inclusion Strategic Framework 2018-2022.

The "Our People" section of the Framework highlights HEE's commitment to valuing and supporting the diversity of people's skills, knowledge and lived experiences and is a key asset in maximising our workforce's contribution to improving organisational performance. The decision to focus on this was born out of links to the Best Place to Work Programme as well as the realisation that HEE needs to work primarily on threading inclusive practice throughout its internal processes before expanding focus to encompass external zones. To guide our work and help focus our priorities we have created an ED&I steering group which feeds into the Board's People and Culture Committee.

# Accountability Report

## Remuneration and Staff Report

### AHEAD (Advancing HEE's Equality and Diversity) Groups

The regional AHEAD Groups ensure that each of HEE's regions are engaged in the diversity and inclusion agenda and are supported by the Diversity, Inclusion and Participation (DIP) Team at regional and national level.

Over this current financial year, the DIP Team have worked with our Staff Networks and colleagues across the organisation to progress and embed a series of initiatives including:

- Staff engagement sessions across several topics - Intersectionality, Trans awareness, menopause awareness, anti-racism awareness, allyship etc
- Campaigns that look at microaggressions and how these can be avoided
- Development of strategic action plans to bridge inequality gaps for race, disability and LGBTQI+
- Supporting the Organisational Development teams to embed diversity and inclusion in its initiatives to retain, develop and grow a diverse talent pool.
- Providing increased support to existing staff networks and assistance in the establishment of new networks (e.g., Faith and Spirituality Group).
- Conducting an extensive review and refresh of the Equality Impact Analysis (EIA) process.
- Embedding an inclusive culture and shared responsibility for advancing equality in the workplace via the Distributed Leadership for Inclusion pilot in the Northwest region. The programme was presented at the NHS Project Futures Festival, in March 2022, and was heralded as an evidence-based tool that transforms programmes of work into movements for advancing equality in HEE. The Distributed Leadership for Inclusion toolkit is currently under development and, once completed, will enable roll out to the rest of the organisation.
- Procuring and launching a Reciprocal Mentoring Pilot Programme; delivered by In Diverse Company (IDC). This programme has potential to enable colleagues across the organisation to reflect on their attitudes, critically and purposefully, towards inclusion, how these attitudes influence behaviour and the impact this has on broader organisational culture.
- Leading the work to ensure LGBTQI+ equality across HEE, supported by the principles contained within Stonewall's Workplace Equality Index. Results from HEE's 2021 submission indicated that the organisation has increased its position by 145 places within the Index and is now ranked 110 out of 403 employers (our highest ever ranking). In addition, the organisation received a Gold Award and the LGBTQI+ staff network received a highly commended award. Our LGBTQI+ inclusion supportive initiatives included the updating of our Trans Inclusion Policy, introduction of dual ID cards for non-binary colleagues and creation of safe space meetings for bi, non-binary and trans colleagues.

HEE also demonstrated its compliance with Public Sector Equality Duties by implementing corporate equality objectives as well as undertaking annual reporting of the Workforce Race and Disability Equality Standards, (WRES and WDES), and our Gender Pay Gap.

In September 2021, Dr Navina Evans and Sir David Behan, set out HEE's ambition to become an anti-racist organisation. Following the initial statement an Anti-Racism Working Group was established. The group met for the first time in February 2022 and will now take on responsibility for undertaking a base line assessment to establish where HEE is currently positioned in relation to its anti-racism ambitions before embarking on strategy development and formalising plans to progress this agenda.

Going forward, to support HEE's ambition to become anti-racist and wholly inclusive, the national DIP priorities will be articulated as follows:

- a. Board - Vision and ambition
- b. Systemic Shift
- c. Cultural Shift
- d. Inclusive Recruitment Pilot
- e. Compliance - Public Sector Equality Duties.

# Accountability Report

## Remuneration and Staff Report

### Partnership Working

We have continued to build on our established relationship with our Trades Union partners throughout 2021-22. Our Partnership Forum met quarterly throughout the year, with attendance including representatives of the Executive Team, the People and Culture function and organisational managers, alongside national officers, and internal staff representatives from our recognised trade unions.

These include:

- British Dental Association
- British Medical Association
- Managers in Partnership
- Royal College of Nursing
- UNISON
- UNITE.

The Partnership Forum, where required, delegates task and finish activity to sub-groups; one of which is the Policy Working Group, which met on nine occasions throughout the year, reviewing and establishing effective policies and procedures.

The following policies and supporting guidance were developed and/or reviewed during 2021-22.

- Capability Policy and Toolkit
- Flexible Annual Leave Policy and Toolkit
- Disciplinary Policy and Toolkit
- Trans Inclusion at Work Policy and Toolkit
- Flexible Retirement Guidance
- Working From Abroad Guidance
- Menopause Guidance.

# Accountability Report

## Remuneration and Staff Report

### 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.

	2020-21	2021-22
<b>Number of employees who were relevant union officials during the relevant period</b>	15	13
<b>FTE employee number</b>	13.7	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	2020-21	2021-22
0%	6	4
1-50%	9	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.

	2020-21	2021-22
<b>The total cost of facility time</b>	£5,976	£6,666.28
<b>Total pay bill</b>	£187,451,000	£214,544,000
<b>The percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100</b>	0.003%	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).

	2020-21	2021-22
<b>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</b>	14.88%	12.02%

# Accountability Report

## Remuneration and Staff Report

### Remuneration

During 2021-22, we continued to work with DHSC, other ALBs and Trades Union colleagues in all matters regarding our pay policy and are clear about the need for continued pay restraint in the NHS. 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 54 for details on our remuneration policy 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 2021-22 was £190-195k (2020-21, £215-220k). The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

#### 2021-22 Pay Ratio Information Table

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

#### 2020-21 Pay Median Information Table

2020-21	Median
Total Remuneration (£s)	£45,780
Pay ratio information	4.8

For the purposes of the pay ratio calculations, the Financial Reporting Manual and supporting guidance 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 2021-22, 5 (2020-21, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £18,546 to £210-215k (2020-21, £17,890 to £215-£220k).

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 4.8 in 2020-21 to 4.1 in 2021-22.

# Accountability Report

## Remuneration and Staff Report

	Highest Paid Director				Employees of the entity as a whole			
	Salaries and Allowances		Performance Pay and Bonuses		Salaries and Allowances		Performance Pay and Bonuses	
	Value	% Change	Value	% Change	Value	% Change	Value	% Change
2020-21	£177,500		£37,500		£48,806.7		£145.3	
2021-22	£192,500	8.45*	nil	-100%	£49,329.7	1.07	£215.1	48.03

There has been an 8.45% change in the salary (Calculated at the midpoint of salary band in the single remuneration table on page 82) of the highest paid director in 2021-22 compared to the previous year. All executive senior managers salaries are determined against the ESM pay framework communicated by the DHSC. The highest paid director did not receive any performance pay and bonuses in 2021-22.

The average % change in Salaries and Allowances for employees of the entity as a whole between 2020-21 and 2021-22 was 1.07%. This is due to an annual increase in basic pay of all employees on the NHS Terms and Conditions (Agenda for Change) and Medical and Dental pay scales.

\*The % change in salaries and allowances of the highest paid director compared to the employees of HEE as a whole, is a result of the difference in pay between the Interim Chief Executive in 2020-21 and the appointment of the current Chief Executive in 2021-22. Furthermore, The Interim Chief Executive in 2020-21 received additional remuneration in terms of performance pay and bonuses, which the current Chief Executive does not receive.

The average % change in Performance Pay and Bonuses of the employees of the entity as a whole between 2020-21 and 2021-22 was 48.03%. Due to the impacts of COVID-19, and in recognition of the recovery effect, the Government approved the recommendation from the tripartite group responsible for negotiating Local Clinical Excellence Awards (NHS Employers, British Medical Association and HCSA), to suspend normal awards rounds in favour of equal distribution to eligible consultants. This instruction remained in place for the 2020-21 and 2021-22 awards rounds. In addition, the 2020-21 award year included the requirement to distribute any underspent funding from previous years in the scheme (2018 to 2021). As a result of that agreement, all eligible consultants received an equal share of the total funds, which inflated the performance pay and bonus values in year.

Whilst Local Clinical Excellence Awards are not bonuses, they are designed to recognise excellence in performance, and so HEE categorises these awards as such within the Annual Report and Accounts.

### Pay Review Bodies

HEE has worked closely with the Office of Manpower Economics (OME) to submit reports to the NHS Pay review Body and the Doctor's and Dentist's Review Body, as part of its national process for gathering evidence from interested parties to inform the recommendations for 2021-22. HEE was also pleased to be able to attend oral evidence sessions for both review bodies at the request of the OME.

The reports submitted for 2021-22 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 01 April 2017. The key change under these regulations is the need for HEE to determine the employment status of all off-payroll workings and to make pay overs directly to HMRC where appropriate.

The tables below present the information required for HEE from 01 April 2021 to 31 March 2022 for those earning £245 per day or greater.

	Number
<b>Number of existing engagements as of 31 March 2022</b>	<b>91*</b>
<b>Of which:</b>	
Number that existed < 1 year	47
Number that have existed for between 1 and 2 years	14
Number that have existed for between 2 and 3 years	9
Number that have existed for between 3 and 4 years	21
Number that have existed for 4 or more years	0
<b>Number of temporary off-payroll workers engaged during the year ended 31 March 2022</b>	<b>45</b>
<b>Of which:</b>	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	15
Subject to off-payroll legislation and determined as out-of-scope of IR35	30
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
<b>For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 01 April 2021 and 31 March 2022</b>	
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 on and off payroll that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year.	19

\* The number of existing engagements as of 31 March 2022 was 91. The corresponding number for 2021 was 65. Of these, 51 individuals have been assessed for off-payroll obligations under IR35 during the year, following which 33 individuals are deemed in scope of IR 35 and have transferred to HEE payroll from 01 April 2022 and 18 contracts have ended.



# Accountability Report

## Remuneration and Staff Report

### Consultancy Fees and Contingent Labour

During 2021-22 HEE has incurred expenditure totalling £3.9 million (2020-21 £3.3 million) in relation to contingent labour. HEE has not incurred any expenditure in relation to furloughed workers or consultancy fees.

### Salaries and Allowances

Those identified within the annual report are those senior staff and non-executive directors who make up the organisation's governing body, the HEE Board. This is in accordance with the Government's Financial Reporting Manual for 2021-22.

### Director's Service Contracts

Name and title	Date of appointment	Notice period	Provision for compensation for early termination
<b>Dr Navina Evans CBE</b> Chief Executive	01-Oct-20	6 months	HEE has the sole and absolute discretion to provide taxable statutory pay in lieu of part or all of the notice period subject to the approval of the Remuneration Committee
<b>Mr Calum Pallister</b> Director of Finance	21-Sep-18	6 months	
<b>Mr Lee Whitehead</b> Director of Corporate Accountability and Engagement	01-Apr-13	6 months	
<b>Mr Rob Smith</b> Workforce Planning and Business Intelligence Director	01-Oct-17	6 months	
<b>Ms Laura Roberts</b> Director of Skills Development and Participation	01-Oct-14	6 months	
<b>Mr Patrick Mitchell</b> Director of Innovation, Digital and Transformation	09-Jan-17	6 months	
<b>Mr David Farrelly</b> Chief Operating Officer, and Deputy Chief Executive (Internal)	26-Jan-17	6 months	
<b>Professor Mark Radford CBE</b> Chief Nurse and Deputy Chief Executive (External)	01-Apr-20	6 months	
<b>Professor Wendy Reid</b> Director of Education and Quality, and Medical Director	01-Apr-13	6 months	
<b>Mr Giles Denham</b> Director of Strategic Relationships	01-Sep-21	6 months	
<b>Ms Jo Lenaghan</b> Director of Strategy	01-Apr-20	6 months	

# 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 including taxable expenses 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
<b>Dr Navina Evans CBE</b> Chief Executive	190-195	Nil	Nil	Nil	190-195
<b>Mr Calum Pallister</b> Director of Finance	135-140	200	Nil	38	175-180
<b>Mr Lee Whitehead</b> Director of Corporate Accountability and Engagement	125-130	5,100	Nil	31	160-165
<b>Mr Rob Smith</b> Workforce Planning and Business Intelligence Director	140-145	Nil	Nil	43	180-185
<b>Ms Laura Roberts</b> Director of Skills Development and Participation	105-110	Nil	Nil	Nil	105-110
<b>Mr Patrick Mitchell</b> Director of Innovation, Digital and Transformation	135-140	Nil	Nil	951	1,085-1,090
<b>Mr David Farrelly</b> Chief Operating Officer and Deputy Chief Executive (Internal)	140-145	Nil	Nil	60	200-205
<b>Professor Mark Radford CBE</b> Chief Nurse and Deputy Chief Executive (External)	140-145	Nil	Nil	38	175-180
<b>Professor Wendy Reid</b> Director of Education and Quality, and Medical Director	165-170	Nil	Nil	Nil	165-170
<b>Mr Giles Denham</b> Director of Strategic Relationships	75-80	Nil	Nil	Nil	75-80
<b>Ms Jo Lenaghan</b> 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)

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

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 90). 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.

# Accountability Report

## Remuneration and Staff Report

### Director's Remuneration 2020-21 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits including taxable expenses 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
<b>Dr Navina Evans</b> Chief Executive	95-100	Nil	Nil	Nil	95-100
<b>Professor Wendy Reid</b> Interim Chief Executive	175-180	Nil	35-40	Nil	215-220
<b>Mr Calum Pallister</b> Director of Finance	135-140	1,400	Nil	32	170-175
<b>Mr Lee Whitehead</b> Director of Corporate Accountability and Engagement	125-130	5,100	Nil	27	155-160
<b>Mr Rob Smith</b> Workforce Planning and Business Intelligence Director	140-145	Nil	Nil	8	150-155
<b>Ms Laura Roberts</b> Director of Skills Development and Participation	130-135	2,700	Nil	1	135-140
<b>Mr Patrick Mitchell</b> Director of Innovation, Digital and Transformation	135-140	Nil	Nil	Nil	135-140
<b>Mr David Farrelly</b> Chief Operating Officer	140-145	Nil	Nil	18	155-160
<b>Professor Mark Radford</b> Chief Nurse	140-145	Nil	Nil	49	190-195
<b>Professor Sheona MacLeod</b> Interim Director Education and Quality, Medical Director	85-90	200	25-30	Nil	110-115
<b>Ms Jo Lenaghan</b> Director of Strategy	140-145	Nil	Nil	Nil	140-145

# Accountability Report

## Remuneration and Staff Report

### Director's Remuneration - Disclosures 2020-21 (subject to audit)

Dr Navina Evans CBE was appointed to Chief Executive on 01/10/2020. Equivalent annual salary is £190-195k.

Professor Wendy Reid was appointed Interim Chief Executive on 01/04/2020 to 30/09/2020. She reverted to her original post Director of Education and Quality from 01/10/2020. Salary shown is total paid for both contracts.

Professor Wendy Reid - an underpayment totalling £2,472 (gross) in relation to Professor Reid's performance pay was identified in 2019-20. The amounts disclosed within the Director's Remuneration tables for 2020-21 include this reimbursement within the figure as Interim Chief Executive.

Professor Sheona MacLeod was appointed Interim Director Education and Quality, Medical Director from 01/04/2020 to 18/10/2020. Salary shown is for 6 months and 18 days. Equivalent Annual salary is £160-165K. From 19/10/2020 she reverted back to her role as Deputy Medical Director.

Ms Jo Lenaghan, Director of Strategy, resumed attending Board Meetings from 01/04/2020. Prior to this she was on secondment or working on special projects.

Mr Patrick Mitchell ceased to contribute to the NHS Pension scheme on 30/06/2020.

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

Performance related payments paid to Sheona MacLeod and Wendy Reid were based on Clinical Excellence Awards that are awarded externally to Clinicians.

Professor Mark Radford was appointed substantively as HEE's Chief Nurse on 01/04/2020 following the resignation of Lisa Bayliss Pratt and a recruitment campaign to appoint her successor. The role and salary of Chief Nurse was reviewed ahead of the recruitment to the role and reflected the changed accountabilities within the portfolio held.

Mark also appeared on HEE's 2019-20 accounts and remuneration table for a period of 6 months as a result of his secondment to HEE during that period to cover the post of Chief Nurse whilst the substantive post holder was on secondment. The salary declared in the prior years accounts represents 6 months salary at the rate agreed and remunerated by his substantive employer and recharged to HEE.

# Accountability Report

## Remuneration and Staff Report

### Director's Pension Table 2021-22 (subject to audit)

Name and title	(a) Real increase in pension at 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 2022 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 31 March 2021 (to the nearest £1,000)	(f) Real increase in Cash Equivalent Transfer Value (to the nearest £1,000)	(g) Cash Equivalent Transfer Value at 31 March 2022 (to the nearest £1,000)	(h) Employer's Contribution to stakeholder pension
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Dr Navina Evans CBE</b>								
Chief Executive	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mr Calum Pallister</b>								
Director of Finance	2.5-5	Nil	20 - 25	Nil	223	20	264	N/A
<b>Mr Lee Whitehead</b>								
Director of Corporate Accountability and Engagement	0-2.5	Nil	30-35	0-5	423	22	465	N/A
<b>Mr Rob Smith</b>								
Workforce Planning and Business Intelligence Director	2.5-5	0-2.5	70-75	190-195	1,543	69	1,644	N/A
<b>Ms Laura Roberts</b>								
Director of Skills Development and Participation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1
<b>Mr Patrick Mitchell</b>								
Director of Innovation, Digital and Transformation	40-42.5	120-122.5	60-65	165-170	428	999	1,437	N/A
<b>Mr David Farrelly</b>								
Chief Operating Officer and Deputy Chief Executive (Internal)	2.5 - 5	2.5 - 5	55 - 60	120 - 125	1,085	68	1,178	N/A
<b>Professor Mark Radford CBE</b>								
Chief Nurse and Deputy Chief Executive (External)	2.5 - 5	0 - 2.5	50 - 55	105 - 110	868	39	935	N/A
<b>Professor Wendy Reid</b>								
Director of Education and Quality, and Medical Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mr Giles Denham</b>								
Director of Strategic Relationships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Ms Jo Lenaghan</b>								
Director of Strategy	2.5-5	0-2.5	40-45	65-70	646	33	703	N/A

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

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

# Accountability Report

## Remuneration and Staff Report

### Non-Executive Director's Service Contracts

Name and title	Date of appointment	Unexpired term @ 31 March 2022	Notice period	Provision for compensation for early termination
<b>Sir David Behan CBE</b> HEE Chair	01-Dec-2018	32 months	None	None
<b>Professor Andrew George MBE</b> Non-Executive Director	01-Sep-2019	29 months	None	None
<b>Dr Harpreet Sood</b> Non-Executive Director	01-Sep-2020	17 months	None	None
<b>Professor Soraya Dhillon MBE</b> Non-Executive Director	01-Sep-2019	5 months	None	None
<b>Mr Andrew Foster CBE</b> Non-Executive Director/ Senior Independent Director*	01-Nov-2019	19 months	None	None
<b>Dr Liz Mear</b> Non-Executive Director	01-Nov-2019	31 months	None	None
<b>Professor John Latham CBE</b> Non-Executive Director	01-Nov-2019	7 months	None	None
<b>Sir Andrew Morris OBE</b> Associate Non-Executive Director	01-Nov-2019	7 months	None	None

### Non-executive Director's Service Contracts - Disclosure 2021-22 (subject to audit)

The table above has been re-presented to more accurately reflect the un-expired terms of the Non-Executive Director's. This impacted 3 individuals (Mr Andrew Foster CBE, Professor John Latham CBE and Sir Andrew Morris OBE) who had previously been mis-reported by one month.

# Accountability Report

## 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 including taxable expenses 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	5-10	Nil	Nil	Nil	5-10
Professor John Latham CBE	10-15	Nil	Nil	Nil	10-15
Sir Andrew Morris OBE	Nil	Nil	Nil	Nil	Nil

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

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.

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.



# Accountability Report

## Remuneration and Staff Report

### Non-Executive Director's Remuneration 2020-21 (subject to audit)

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits including taxable expenses 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
Professor David Croisdale-Appleby OBE	0-5	1,500	Nil	Nil	0-5
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	5-10	Nil	Nil	Nil	5-10
Professor J Latham CBE	10-15	Nil	Nil	Nil	10-15
Sir Andrew Morris OBE	Nil	Nil	Nil	Nil	Nil

### Non-Executive Directors Remuneration - Disclosures 2020-21 (subject to audit)

Professor David Croisdale Appleby ended his term on 31/08/2020. Salary shown is for 5 months. Equivalent annual salary is £5-10k.

Dr Harpreet Sood was appointed as a Non-Executive director on 01/09/2020. Prior to this he held the role of associate non-executive director from 01/09/2019-31/08/2020. Salary shown is for 12 months. Salary for both roles was the same.

Sir Andrew Morris OBE was appointed on 01/11/2019, he has waived his right to receive remuneration for his appointment.

# Accountability Report

## Remuneration and Staff Report

### Payments to Past Directors (subject to audit)

#### 2021-22

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

#### 2020-21

2 payments were made to Professor Ian Cumming OBE

- £12,014.13 Gross pay for Annual Leave not taken
- £1,419 Reimbursement for buying equipment whilst working for HEE via a contract with Keele University

### Exit Costs (subject to audit)

	2021-22			2020-21		
	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	4	4	0	5	5
£10,000 to £25,000	1	1	2	2	3	5
£25,000 to £50,000	0	0	0	0	1	1
£50,000 to £100,000	0	1	1	0	1	1
£100,000 to £150,000	0	0	0	0	1	1
£150,000 to £200,000	0	0	0	0	0	0
Over £200,000	0	0	0	0	0	0
<b>Total Numbers</b>	<b>1</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>11</b>	<b>13</b>
<b>Total Cost (£000's)</b>	<b>14</b>	<b>99</b>	<b>113</b>	<b>29</b>	<b>339</b>	<b>368</b>

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.

# Accountability Report

## Remuneration and Staff Report

### Analysis of Other Departures (subject to audit)

	2021-22		2020-21	
	Number of agreed other departures	£000's	Number of agreed other departures	£000's
Voluntary redundancies including early retirement contractual costs	3	85	7	286
Mutually agreed resignations (MARS) contractual costs	1	2	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	2	12	8	53
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	0	0	0	0
<b>Total</b>	<b>6</b>	<b>99</b>	<b>15</b>	<b>339</b>

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 no "non-contractual payments 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 Number	Permanently employed staff Number	Others Number
<b>2021-22</b>	<b>2,713</b>	<b>2,463</b>	<b>250</b>
Of which number engaged on capital projects	0	0	0
<b>2020-21</b>	<b>2,432</b>	<b>2,156</b>	<b>276</b>
Of which number engaged on capital projects	0	0	0

### Staff Costs (subject to audit)

Staff costs comprise:

			2021-22	2020-21
	Permanently employed staff	Others	Total	Total
	£'000s	£'000s	£'000s	£'000s
Wages and salaries	124,992	50,424	175,416	155,233
Social security costs	13,065	1,114	14,179	12,007
Other pension costs	22,242	1,934	24,176	19,257
Termination benefit	113	-	113	396
Apprentice Levy	660	-	660	558
<b>Total Gross Pay</b>	<b>161,072</b>	<b>53,472</b>	<b>214,544</b>	<b>187,451</b>
Less income in respect of outward secondments	(2,869)	-	(2,869)	(2,091)
<b>Total net costs</b>	<b>158,203</b>	<b>53,472</b>	<b>211,675</b>	<b>185,360</b>

# 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. 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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in the International Accounting Standard Nineteen (IAS 19), relevant government financial reporting manual (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 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the [McCloud case](#).

HMT published valuation directions dated 7 October 2021 ([see Amending Directions 2021](#)) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the [NHS Pensions](#) website.

# Parliamentary Accountability and Audit Report

# 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
	2021-22 Number	2021-22 £'000	2020-21 Number	2020-21 £'000
Administrative write-offs	0	0	0	0
Fruitless payments	0	0	82	242
Bookkeeping losses	0	0	0	0
Constructive loss	0	0	0	0
Cash Losses	797	1,209	1,590	1,034
Claims abandoned	0	0	0	0
Stores Losses	0	0	0	0
Equipment Losses	6	7	8	6
Special payments	1	15	18	34
	<b>804</b>	<b>1,231</b>	<b>1,698</b>	<b>1,316</b>

Included within the cash losses for 2021-22 are administrative debts written off totaling £5k 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 bursary debt write off to HEE. The 2021-22 position also includes a cash loss of £430k due to a fraudulent incident. Key processes and controls within HEE Finance have been reviewed and strengthened following this incident.

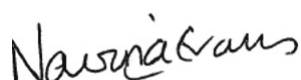
The special payment included above relates to an ex-gratia payment in resolution of a trainee and Lead Employer issue.

## 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 (2020-21 £nil).



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# 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 2022 under the Care Act 2014.

The financial statements comprise Health Education England's:

- Statement of Financial Position as at 31 March 2022;
- 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 2022 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Care Act 2014 and Secretary of State directions issued thereunder.

### 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 of Public Sector Entities in the United Kingdom. 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 have also elected to apply the ethical standards relevant to listed entities. 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 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 Board and 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 anticipated that the services which they provide will continue into the future.



# Parliamentary Accountability and Audit Report

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

### Other Information

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

In connection with my audit of the financial statements, 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 Secretary of State directions issued under the Care Act 2014:

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 Secretary of State directions made under the Care Act 2014; and
- the information given in the Performance and Accountability Reports 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 and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- 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
- 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 Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and Accounting Officer are responsible for

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Board and Accounting Officer determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and

# Parliamentary Accountability and Audit Report

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

- assessing 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 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 Care Act 2014.

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, we considered the following:

- the nature of the sector, control environment and operational performance including the design of Health Education England's accounting policies;
- Inquiring 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 relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged 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 Care Act 2014 and Managing Public Money;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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, significant or unusual transactions, and bias in management's 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 of controls.

I also obtained an understanding of Health Education England's framework of authority as well as other legal and regulatory frameworks in which Health Education England operates, focusing 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 Care Act 2014, Managing Public Money, employment law, and tax and pensions legislation.

# Parliamentary Accountability and Audit Report

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

### Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing 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;
- enquiring of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading and reviewing 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, testing the appropriateness of journal entries and other adjustments assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks 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](http://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 income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions 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 that I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**

**Date:** 19 July 2022

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

# Annual Accounts 2021-22

# Annual Accounts 2021-22

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021-22 £'000s	2020-21 £'000s
Staff costs	2	214,544	187,451
Other operating expenditure	2	4,679,142	4,240,881
<b>Total operating expenditure</b>		<b>4,893,686</b>	<b>4,428,332</b>
Operating revenue	3	(100,991)	(144,680)
<b>Comprehensive net expenditure for the year</b>		<b>4,792,695</b>	<b>4,283,652</b>

The notes on pages 105 to 119 form part of these accounts.

# Annual Accounts 2021-22

## Statement of Financial Position as at 31 March 2022

	Note	31 March 2022 £'000s	31 March 2021 £'000s
<b>Non-current assets:</b>			
Property, plant and equipment	5	2,434	2,219
Trade and other receivables	6	149	198
<b>Total non-current assets</b>		<b>2,583</b>	<b>2,417</b>
<b>Current assets:</b>			
Trade and other receivables	6	36,929	44,993
Cash and cash equivalents	7	284,325	125,756
<b>Total current assets</b>		<b>321,254</b>	<b>170,749</b>
<b>Total assets</b>		<b>323,837</b>	<b>173,166</b>
<b>Current liabilities:</b>			
Trade and other payables	8	(419,219)	(299,759)
Provisions	9	(1,491)	(685)
<b>Total current liabilities</b>		<b>(420,710)</b>	<b>(300,444)</b>
<b>Total assets less current liabilities</b>		<b>(96,873)</b>	<b>(127,278)</b>
<b>Non-current liabilities:</b>			
Provisions	9	(1,117)	(1,327)
<b>Total non-current liabilities</b>		<b>(1,117)</b>	<b>(1,327)</b>
<b>Total assets less total liabilities</b>		<b>(97,990)</b>	<b>(128,605)</b>
<b>Taxpayers' equity</b>			
General fund		(97,990)	(128,605)
<b>Total taxpayers' equity</b>		<b>(97,990)</b>	<b>(128,605)</b>

The notes on pages 105 to 119 form part of these accounts.

The financial statements on pages 101 to 104 were approved by the Board and signed on its behalf by:



**Dr Navina Evans CBE**  
Chief Executive

**Date:** 19 July 2022

# Annual Accounts 2021-22

## Statement of Cash Flows for the year ended 31 March 2022

	Note	2021-22 £'000s	2020-21 £'000s
<b>Cash flows from operating activities</b>			
Comprehensive net expenditure for the year		<b>(4,792,695)</b>	(4,283,652)
Adjustments for non-cash transactions:			
Depreciation and amortisation	2	<b>904</b>	766
Loss on disposals of PPE		<b>14</b>	0
(Increase)/Decrease in trade and other receivables	6	<b>8,113</b>	(17,446)
Increase/(Decrease) in trade and other payables	8	<b>119,460</b>	57,087
(Increase)/Decrease in capital creditors		<b>(21)</b>	473
Provisions reversed unused		<b>(403)</b>	(275)
Increase in provisions	9	<b>999</b>	480
<b>Net cash outflow from operating activities</b>		<b>(4,663,629)</b>	(4,242,567)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		<b>(1,112)</b>	(1,005)
<b>Net cash outflow from investing activities</b>		<b>(1,112)</b>	(1,005)
<b>Net cash outflow before financing</b>		<b>(4,664,741)</b>	(4,243,572)
<b>Cash flows from financing activities</b>			
Grant in Aid funding from Department of Health and Social Care		<b>4,823,310</b>	4,341,094
<b>Net cash flow from financing activities</b>		<b>4,823,310</b>	4,341,094
<b>Net increase/(decrease) in cash and cash equivalents in the year</b>	7	<b>158,569</b>	97,522
<b>Cash and cash equivalents at the beginning of the year</b>		<b>125,756</b>	28,234
<b>Cash and cash equivalents at year end</b>	7	<b>284,325</b>	125,756

The notes on pages 105 to 119 form part of these accounts.

# Annual Accounts 2021-22

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	General Fund £'000s	Taxpayers' Equity £'000s
<b>Balance at 1 April 2020</b>	(186,047)	<b>(186,047)</b>
<b>Changes in taxpayers' equity for 2020-21:</b>		
Comprehensive net expenditure for the year	(4,283,652)	<b>(4,283,652)</b>
Grant in Aid funding from Department of Health and Social Care*	4,341,094	<b>4,341,094</b>
<b>Balance at 31 March 2021</b>	(128,605)	<b>(128,605)</b>

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

The notes on pages 105 to 119 form part of these accounts.



# Annual Accounts 2021-22

## 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 Care Act 2014 and Secretary of State for Health and Social Care direction there under. 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, 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 they provide will continue into the future. At present, the functions and purpose of HEE are delivered in accordance with the Care Act 2014 and the Framework Agreement between the Department of Health and Social Care (DHSC) and HEE which sets out HEE's role to work with partners to plan, recruit, educate and train the future and current healthcare workforce.

The financing of HEE is met through Grant in Aid funding provided by the Department of Health and Social Care, which is approved annually by Parliament. The Secretary of State for Health and Social Care has directed that Parliamentary funding has been voted to permit the relevant activities to continue in 2022-23 financial year. Currently HEE is a Non-Departmental Public Body responsible to the Department of Health and Social Care, interim financial support could be accessed if it were required. There is no such requirement identified. HEE does not consider there to be any material estimation uncertainty over the valuation of assets and liabilities at the reporting date as disclosed within the financial statements.

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. It will align people, responsibilities, services, finances, and plans enabling better support, services and leadership for the NHS and our population. The Health and Care Act providing parliamentary approval for the enabling powers for this merger received Royal Assent from HM the Queen on 28 April 2022. Work is ongoing with NHS England, the Department of Health and Social Care and HM Treasury in readiness for the transition on 01 April 2023 including determining appropriate funding for HEE's activities for the 2023-24 financial year and beyond. The Secretary of State for Health and Social Care will determine the detail of changes during the 2022-23 financial year.

At the point in time this document is written it is anticipated that all HEE's business functions will transfer to NHS England, continuing in 2023-24 and beyond. Our going concern assessment is made up to 19 July 2023. The functions of HEE and associated funding is expected to continue into the future, broadly in line with current levels. Therefore, the Board of HEE have prepared these accounts on a going concern basis in accordance with the requirements of applicable accounting standards.

# Annual Accounts 2021-22

## 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.

# Annual Accounts 2021-22

## 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.

# Annual Accounts 2021-22

## 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

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. HEE does not hold any finance leases.

#### HEE as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

#### HEE as lessor

Operating lease receipts are recognised as income on a straight-line basis over the lease term.

### 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.

# Annual Accounts 2021-22

## Notes to the accounts

### 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.

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.

# Annual Accounts 2021-22

## Notes to the accounts

### 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.

### 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.

### IFRS 16 Leases

IFRS 16 "Leases" was issued in January 2016 and introduces a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases (subject to exemptions), for government bodies reporting under the FReM. Following a two-year deferment for the public sector, agreed by HM Treasury and the Financial Reporting Advisory Board (FRAB), IFRS 16 will be brought into effect on 01 April 2022 and replaces IAS 17 (Leases).

IFRS 16 removes the distinction between operating and finance leases and introduces a single accounting model that requires a lessee to recognise ('right-of-use') assets and lease liabilities. The definition of a 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.

### Approach on Transition to IFRS 16

On transition to IFRS 16 on 01 April 2022, HEE will apply the standard adopting the cumulative catch-up approach measuring the right-of-use asset for leases previously classified as operating leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position for the year ended 31 March 2022.

Existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000 will be treated as commencing on 01 April 2022; a lease liability will be recognised equal to the value of remaining lease payments discounted at the incremental borrowing rate defined by HM Treasury (currently 0.95%). The related right of use asset will be measured equal to the liability adjusted for any prepaid or accrued lease payments. In accordance with exemptions included within IFRS 16 Leases, HEE will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000).

For leases commencing in 2022-2023, Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term. Any differences between the lease liability and right of use asset for new leases after implementation of IFRS 16 will be recorded in the SoCNE.

# Annual Accounts 2021-22

## Notes to the accounts

### Impact on Financial Statements on Transition

In accordance with Government Financial Reporting Manual issued by HM Treasury (“the FReM”) requirements HEE intends to implement IFRS 16 Leases on 01 April 2022.

On transition HEE does not expect this standard to have a material impact on non-current assets, liabilities and depreciation. Latest estimates recognise an additional £6.4 million right of use assets, £6.4 million of lease liabilities which have been measured using a discount rate of 0.95% per annum, and £2.3 million of additional depreciation offset by a £2.3 million reduction in operating lease rentals in Note 2.

# Annual Accounts 2021-22

## Notes to the accounts

### 2. Staff costs and other operating expenditure

	2021-22	2020-21
	£'000s	£'000s
<b>Staff costs:</b>		
- Wages and salaries	175,416	155,233
- Social security costs	14,179	12,007
- Other pension costs	24,176	19,257
- Termination benefits	113	396
- Apprentice levy	660	558
<b>Total staff costs</b>	<b>214,544</b>	187,451
Training and education activities:		
Future workforce*:		
- Undergraduate medical and dental	943,143	908,142
- Postgraduate medical and dental	2,220,073	2,079,341
- Clinical education and training	829,014	712,030
Total future workforce	3,992,230	3,699,513
- Workforce development	323,336	296,369
- Education support	24,364	5,854
- National activities	293,347	195,454
Total Training and Education Activities	4,633,277	4,197,190
HEE chair and non-executive directors	124	127
Supplies and services	924	294
Establishment	15,844	15,878
Premises	20,969	20,220
Operating lease rentals	4,061	4,356
Depreciation and amortisation	904	766
Loss on disposal of PPE	14	0
Provisions arising	999	480
Provisions reversed unused	(403)	(275)
Statutory audit fees (NAO)	170	170
Internal audit and assurance services	244	240
Education and training	1,069	816
Other operating expenses	946	619
Total other operating expenditure	4,679,142	4,240,881
Total operating expenditure	4,893,686	4,428,332

\*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.



# Annual Accounts 2021-22

## Notes to the accounts

### 3. Operating revenue

	2021-22	2020-21
	£'000s	£'000s
<b>Revenue from contracts for education and training activities:</b>		
NHS England	20,271	64,481
NHS Providers	600	500
Department of Health and Social Care including National Institute for Health Research	65,396	64,533
NHS other	220	517
Non - NHS	7,638	8,400
<b>Total revenue from education and training activities</b>	<b>94,125</b>	<b>138,431</b>
<b>Other revenue:</b>		
Income in respect of seconded staff	2,869	2,091
NHS	3,507	3,775
Non-NHS	490	383
<b>Total other revenue</b>	<b>6,866</b>	<b>6,249</b>
<b>Total operating revenue</b>	<b>100,991</b>	<b>144,680</b>

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 2021-22

## Notes to the accounts

### 5. Property, plant and equipment

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

	Buildings excluding dwellings	Information technology	Furniture and fittings	Total
	£'000s	£'000s	£'000s	£'000s
<b>2020-21</b>				
<b>Cost or valuation:</b>				
<b>At 1 April 2020</b>	<b>3,307</b>	<b>1,992</b>	<b>535</b>	<b>5,834</b>
Additions	169	0	363	532
Transfers	23	66	(89)	0
<b>At 31 March 2021</b>	<b>3,499</b>	<b>2,058</b>	<b>809</b>	<b>6,366</b>
<b>Depreciation</b>				
<b>At 1 April 2020</b>	<b>1,552</b>	<b>1,502</b>	<b>327</b>	<b>3,381</b>
Charged during the year	504	207	55	766
<b>At 31 March 2021</b>	<b>2,056</b>	<b>1,709</b>	<b>382</b>	<b>4,147</b>
<b>Net book value at 31 March 2021</b>	<b>1,443</b>	<b>349</b>	<b>427</b>	<b>2,219</b>

# Annual Accounts 2021-22

## Notes to the accounts

### 6. Trade and other receivables

	31 March 2022	31 March 2021
	£'000s	£'000s
<b>Amounts falling due within one year:</b>		
Trade receivables	24,886	27,862
Expected credit loss allowance - receivables	(3,426)	(4,494)
Other receivables	1,894	2,270
Prepayments and accrued Income	13,575	19,355
<b>Total amounts falling due within one year</b>	<b>36,929</b>	<b>44,993</b>
<b>Amounts falling due after more than one year:</b>		
Trade receivables	1,733	2,152
Expected credit loss allowance - receivables	(1,584)	(1,954)
<b>Total amounts falling due after more than one year</b>	<b>149</b>	<b>198</b>

### 7. Cash and cash equivalents

	2021-22	2020-21
	£'000s	£'000s
<b>Balance at 1 April</b>	<b>125,756</b>	<b>28,234</b>
Net change in cash and cash equivalent balances	158,569	97,522
<b>Balance at 31 March</b>	<b>284,325</b>	<b>125,756</b>
<b>The following balances at 31 March were held at:</b>		
Government Banking Service	284,325	125,756
<b>Balance at 31 March</b>	<b>284,325</b>	<b>125,756</b>

As in previous years a high volume of invoices were received for processing towards the end of the year, resulting in an increase in the year end payables (see note 8). The closing cash balance for 2021-22 was maintained at an appropriate level to ensure these financial obligations were met in accordance with Cabinet Office payment standards.

Due to the nature of HEE's training and education activities it primarily engages with other Public Sector parties, as a result its cash position is susceptible to that of its counterparties, where there are surplus cash balances this can delay invoicing to HEE and subsequently delay the transfer of funds, resulting in higher-than-expected cash balances in HEE.

# Annual Accounts 2021-22

## Notes to the accounts

### 8. Trade and other payables

	31 March 2022	31 March 2021
	£'000s	£'000s
<b>Amounts falling due within one year:</b>		
Payables	201,865	142,968
Accruals - revenue and capital	202,920	133,042
National insurance and statutory maternity pay	2,191	1,881
Tax	1,991	1,701
Other	10,252	20,167
<b>Total amounts falling due within one year</b>	<b>419,219</b>	<b>299,759</b>

We have continued to apply our standard accruals policy and where actual information is unavailable estimates and associated assumptions are based on historical experience and other factors that are considered relevant. The impact of COVID-19 continues to manifest, estimates have been included for COVID-19 'catch up' activity and due to activity delays a greater number of contracts were agreed in the latter half of the year; these factors have contributed to the increase in the year-end payables noted above.

### 9. Provisions

	Dilapidations	Total
	£'000s	£'000s
<b>Balance at 1 April 2021</b>	<b>2,012</b>	<b>2,012</b>
Arising during the year	999	999
Utilised during the year	0	0
Reversed unused	(403)	(403)
<b>Balance at 31 March 2022</b>	<b>2,608</b>	<b>2,608</b>

	31 March 2022	31 March 2021
	£'000s	£'000s
<b>Expected timing of cash flows:</b>		
No later than one year	1,491	685
Later than one year and not later than five years	1,117	1,126
Later than five years	0	201

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.

# Annual Accounts 2021-22

## Notes to the accounts

### 10. Commitments under leases

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 determined to be operating leases with reference to IAS 17.

HEE occupies accommodation under varying agreements. The note relates to formal leasing arrangements only.

Health Education England as lessee	Buildings	Other	31 March 2022 Total	31 March 2021 Total
	£'000s	£'000s	£'000s	£'000s

#### Payments recognised as an expense in year

Minimum lease payments	4,017	44	4,061	4,356
<b>Total</b>	<b>4,017</b>	<b>44</b>	<b>4,061</b>	<b>4,356</b>

#### Future commitments payable:

No later than one year	3,877	39	3,916	4,290
Between one and five years	4,293	46	4,339	7,206
After five years	68	-	68	801
<b>Total</b>	<b>8,238</b>	<b>85</b>	<b>8,323</b>	<b>12,297</b>

Health Education England as lessor	Buildings	Other	31 March 2022 Total	31 March 2021 Total
	£'000s	£'000s	£'000s	£'000s

#### Payments recognised as income in year

Minimum lease receipts	63	0	63	54
<b>Total</b>	<b>63</b>	<b>0</b>	<b>63</b>	<b>54</b>

#### Future commitments receivable:

No later than one year	63	0	63	54
Between one and five years	15	0	15	65
After five years	0	0	0	0
<b>Total</b>	<b>78</b>	<b>0</b>	<b>78</b>	<b>119</b>

# Annual Accounts 2021-22

## Notes to the accounts

### 11. Contingent Liabilities

HEE has a number of ongoing legal claims unlikely to be successful for an estimated £180k (2020-21 £82k) to be disclosed in these accounts as contingent liabilities.

### 12. Related Party Transactions

The compensation paid to key management personnel can be found in the remuneration and staff report on pages 67 to 93.

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, they are also Board members for Coventry University and HC-One Ltd .

For the purposes of prior year comparatives , Professor David Croisdale Appleby, who ended his term as a Non-Executive Director at HEE on 31 August 2020, sat on the Board of Royal College of Physicians during 2020-21.

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 as at the 31 March 2022 and the 2020-21 comparatives, are provided in the tables below.

# Annual Accounts 2021-22

## Notes to the accounts

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
Royal College of Physicians	0	0	0	0
HC-One Ltd	0	10	0	14
E-integrity E-Learning Community Interest Company	0	0	0	0
Framework Housing Association	0	0	0	0

2020-21	Trade and other receivables	Trade and other payables	Operating revenue	Operating expenditure
Name of Organisation	£'000s	£'000s	£'000s	£'000s
Coventry University	0	1,372	0	1,845
Royal College of Physicians	14	317	0	441
HC-One Ltd	0	13	0	23
E-integrity E-Learning Community Interest Company	0	0	50	0
Framework Housing Association	0	1	0	1

Review of the register of interests in 2021-22 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 2021-22 or 2020-21.

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 two of those entities, The Ministry of Defence (MOD) 2021-22 £2.6k expenditure (2020-21 Nil) and Tesco PLC 2021-22 Nil (2020-21 £7.5k expenditure).

### 13. Events After the Reporting Period Date

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.

# Annual Accounts 2021-22

## Annex - Accounts Direction

### **ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE FOR HEALTH IN ACCORDANCE WITH SCHEDULE 5, PARAGRAPH 25 (2) OF THE CARE ACT 2014.**

1. This direction applies to Health Education England.
2. In accordance with the legislation that establishes Health Education England as an Executive Non-Departmental Public Body, it shall prepare accounts for the year ended 31 March 2016 and for subsequent financial periods. The accounts shall be prepared in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for that financial year, together with any additional disclosure or other requirements as agreed with the Department of Health and Social Care.
3. Health Education England shall provide accounts Data, in the format specified by the Department, for the periods 31 March 2016 to enable consolidation of the group wide position.
4. The accounts shall be prepared so as to;
  - a. give a true and fair view of the state of affairs at 31 March 2016 and subsequent financial year ends and of the net operating costs, recognised gains and losses and cash flows for the financial year then ended; and
  - b. provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
5. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirements to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases informed and unbiased judgement should be used to devise an appropriate alternative treatment, which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with the Department of Health and Social Care.
6. This direction supersedes any previous directions.

Signed by the authority of the Secretary of State for Health and Social Care.

**Andrew Baigent**

Director, Group Financial Management

Date: 11 March 2016

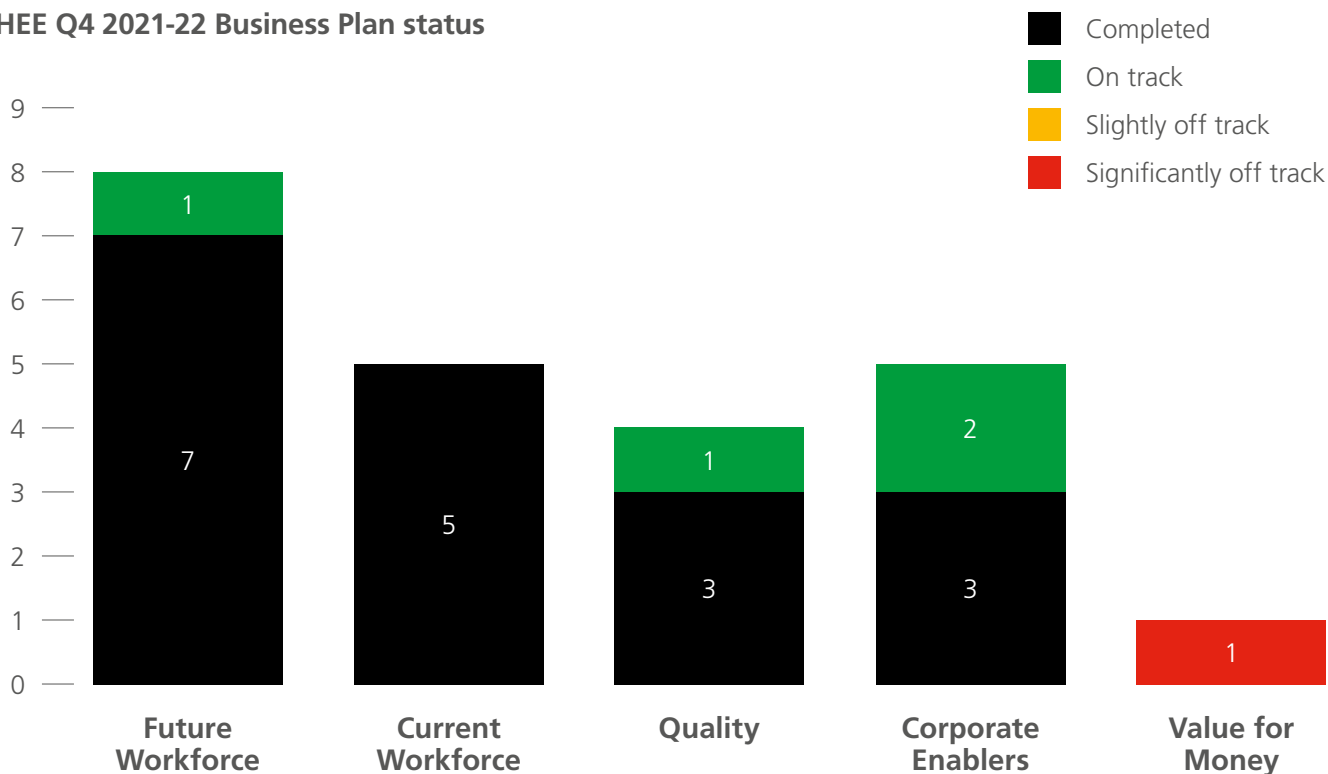


# Annexes

# Annexes

## Annex 1: Summary of the overall health of HEE's Business Plan objectives

HEE Q4 2021-22 Business Plan status



# Annexes

## Annex 1: HEE Performance Dashboard 2021-22

		Metric Description	RAG	End of Year RAG	Baseline	Target 21/22	Q1	Q2	Q3	Q4	
Future Workforce	Increase supply of nurses	Active Students still on programme									
		System Wide Metric - Nurses in Employment (TS or DoH)									
		Pre-registration Nurse Attrition									
		Trainee Nursing Associates (Recruitment)	<span style="color: red;">R</span>	<span style="color: red;">R</span>		5,000	2,078	3,902	4,432		
	Increase medical places	GP Fill Rates	<span style="color: green;">G</span>	<span style="color: green;">G</span>	3,441	4,000		4,000			
		Medical Fill Rates	<span style="color: green;">G</span>	<span style="color: green;">G</span>	96.0%	95.0%		97.8%			
		GP Targeted Enhanced Recruitment Scheme (TERS) Fill Rates	<span style="color: green;">G</span>	<span style="color: green;">G</span>		95.0%		99.3%			
		Clinical Endoscopists Training	<span style="color: green;">G</span>	<span style="color: black;">B</span>		400		368	402	408	
	Cancer and diagnosis	Number of Chemotherapy Nurses	<span style="color: green;">G</span>	<span style="color: black;">B</span>		105		2	137	178	
		Number of Specialist Cancer Nursing	<span style="color: green;">G</span>	<span style="color: black;">B</span>		252		261	431	754	
		Reporting Radiographers Postgraduate Training	<span style="color: green;">G</span>	<span style="color: black;">B</span>		150		80	165	166	
	Mental Health	Adult IAPT training Incl. PWP Training	<span style="color: orange;">A</span>	<span style="color: black;">B</span>		2,679			1,780	2,729	
		Recruit to Train - Children and Young People's Wellbeing Practitioner	<span style="color: orange;">A</span>	<span style="color: black;">B</span>		750		290	827	827	
	Quality	Quality frame work	Trainee Doctor Revalidation	<span style="color: green;">G</span>	<span style="color: green;">G</span>		100.0%	0.0%	98.0%	98.0%	98.0%
Learners voice		Overall Satisfaction of Learners (GMC Training Survey 2020-2021)	<span style="color: green;">G</span>	<span style="color: green;">G</span>	72.0%			78.5%			
Best place of work	Staff Attendance Rates	<span style="color: green;">G</span>	<span style="color: green;">G</span>	98.2%	96.6%	98.2%	97.9%	97.8%	97.7%		
	Staff Retention Rates	<span style="color: green;">G</span>	<span style="color: green;">G</span>	90.5%	80.0%	91.2%	89.7%	89.3%	97.1%		
Corporate Enablers	Value for money	<b>As at March 2022</b>				YTD Variance	YTD Variance %	Annual Budget	Annual Forecast	Annual Variance	Annual Variance %
		Are Operating Costs on Plan?	<span style="color: green;">G</span>	<span style="color: green;">G</span>	£0.9 million	1.5%	£61.9 million	£60.7 million	£1.2 million	1.9%	
		Are Programme Costs Within Budget?	<span style="color: red;">R</span>	<span style="color: red;">R</span>	£108.9 million	2.2%	£4,840.9 million	£4,746.5 million	£94.4 million	2.0%	
		<b>Total</b>			£109.8 million	2.2%	£4,902.8 million	£4,807.2 million	£95.6 million	1.9%	

# Annexes

## Annex 2: Attendance at HEE's Board and Committee Meetings 2021-22

Board		Attendance							
		20/04 2021	18/05 2021	22/06 2021	20/07 2021	21/09 2021	15/03 2021	16/11 2022	15/03 2022
(Public/Private) Members									
<b>Sir David Behan CBE</b> Chair		X		X	X	X	X	X	X
<b>Dr Navina Evans CBE</b> Chief Executive		X	X	X	X	X	X	X	X
<b>Mr. Andrew Foster CBE</b> Non-Executive Director (W/E 1.10.21 SID)	Non-Executive Director	X	X	X	X	X	X	X	X
<b>Professor Andrew George MBE</b> Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X	X
<b>Dr Harpreet Sood</b> Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X	
<b>Professor John Latham CBE</b> Non-Executive Director	Non-Executive Director	X	X	X			X	X	
<b>Dr Liz Mear</b> Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X	X
<b>Professor Soraya Dhillon MBE</b> Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X	X
<b>Sir Andrew Morris OBE</b> Associate Non-Executive Director	Associate Non- Executive Director	-	X	X	X	X	X		X
<b>Calum Pallister</b> Finance	Executive Director	X	X	X	X	X	X	X	X
<b>David Farrelly</b> Chief Operating Officer	Executive Director	X	X	X	X	X	X	X	X
<b>Professor Mark Radford</b> Chief Nurse	Executive Director	X	X	X		X	X	X	X
<b>Professor Wendy Reid</b> Education, Quality and Medical Director	Executive Director	X	X	X	X	X	X		
<b>Giles Denham</b> Strategic Relationships	Executive Director	X	X	X	-	X	X	X	X
<b>Jo Lenaghan</b> Strategy	Executive Director	X	X	X	X	X	X	X	
<b>Laura Roberts</b> Skills Development and Participation	Executive Director	X	X	X	X		X		(Ended Dec 21)
<b>Lee Whitehead</b> Corporate Accountability and Engagement	Executive Director	X	X	X	-	X	X		X
<b>Patrick Mitchell</b> Innovation, Transformation and Digital	Executive Director	X	X	X	X		X	X	
<b>Rob Smith</b> Workforce Planning and Intelligence	Executive Director	X	X	X	X	X	X	X	X
<b>Vikki Matthews</b> People and Culture	Executive Director								(Started Dec 21) X

# Annexes

## Annex 2: Attendance at HEE's Board and Committee Meetings 2021-22

Audit and Risk Committee		Attendance					
		19/04 2021	10/06 2021	02/09 2021	25/10 2021	16/12 2021	24/02 2022
Members							
<b>Professor John Latham CBE</b> (Chair) Non-Executive Director	Non-Executive Director	X	X	X	X	X	X
<b>Dr Liz Mear</b> Non-Executive Director	Non-Executive Director	X	X	-	X	X	X
<b>Dr Harpreet Sood</b> Non-Executive Director	Non-Executive Director	X	-	X	X	X	X
<b>Professor Andrew George MBE</b> Non-Executive Director	Non-Executive Director	X	-	X	X	X	X
<b>Sir David Behan CBE</b> (Observer) Chair		-	-	X	-	-	-
<b>Calum Pallister</b> Director of Finance	Executive Director	X	X	X	X	X	X
<b>Lee Whitehead</b> Director of Corporate Accountability and Engagement	Executive Director	X	X	X	X	X	X
<b>Dr Navina Evans CBE</b> Chief Executive		-	X	-	-	-	-

Remuneration Committee		Attendance	
		18/05 2021	19/10 2021
Members			
<b>Professor Soraya Dhillon MBE</b> (Chair) Non-Executive Director	Non-Executive Director	X	X
<b>Professor John Latham CBE</b> Non-Executive Director	Non-Executive Director	X	X
<b>Dr Liz Mear</b> Non-Executive Director	Non-Executive Director	X	X
<b>Mr. Andrew Foster CBE</b> Non-Executive Director	Non-Executive Director	X	X
<b>Dr Harpreet Sood</b> Non-Executive Director	Non-Executive Director	X	X
<b>Sir David Behan CBE</b> Chair			X
<b>Sir Andrew Morris OBE</b> Associate Non-Executive Director	Associate Non-Executive Director	X	X
<b>Professor Andrew George MBE</b> Non-Executive Director	Non-Executive Director	X	X
<b>Dr Navina Evans CBE</b> Chief Executive		X	X
<b>David Farrelly</b> Chief Operating Officer	Executive Director	X	X

# Annexes

## Annex 2: Attendance at HEE's Board and Committee Meetings 2021-22

Performance and Business Committee (Originally Performance Assurance)		Attendance						
		10/05 2021	12/07 2021	06/09 2021	03/11 2021	06/12 2021	28/02 2022	04/03 2022
Members								
<b>Professor Andrew George MBE</b> (Chair) Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X
<b>Professor John Latham CBE</b> Non-Executive Director	Non-Executive Director	X	-	-	X	-	-	-
<b>Professor Soraya Dhillon MBE</b> Non-Executive Director	Non-Executive Director	X	X	X	X	X	X	X
<b>Sir David Behan CBE</b> (Observer)	Chair	-	-	-	-	-	-	-
<b>David Farrelly</b> Chief Operating Officer	Executive Director	X	X	X	X	X	X	-
<b>Calum Pallister</b> Director of Finance	Executive Director	X	X	X	X	X	X	X

People and Culture Committee (Originally People)		Attendance			
		04/05 2021	06/09 2021	01/11 2021	15/02 2022
Members					
<b>Mr. Andrew Foster CBE</b> (Chair) Non-Executive Director	Non-Executive Director	X	X	X	X
<b>Dr Liz Mear</b> Non-Executive Director	Non-Executive Director	X	X	X	X
<b>Dr Harpreet Sood</b> Non-Executive Director	Non-Executive Director	X	X	-	X
<b>Professor Soraya Dhillon MBE</b> Non-Executive Director	Non-Executive Director	X	X	X	X
<b>Dr Navina Evans CBE</b> Chief Executive		X	X	X	X
<b>Sir David Behan CBE</b> Chair		X	X	X	X
<b>David Farrelly</b> Chief Operating Officer	Executive Director	X	X	X	X
<b>Laura Roberts</b> Director of Skills Development and Participation	Executive Director	X	X	-	
<b>Lee Whitehead</b> Director of Corporate Accountability and Engagement	Executive Director	X	X	X	X
<b>Vikki Matthews</b> People and Culture	Executive Director	(Started Dec 21)			X

# Annexes

## Annex 2: Attendance at HEE's Board and Committee Meetings 2021-22

People's Advisory Forum Committee		Attendance			
		14/04 2021	05/07 2021	11/10 2021	19/01 2022
Members					
<b>Dr Liz Mear</b> (Co-Chair) Non-Executive Director		X	X	X	X
<b>Sir David Behan CBE</b> (Observer) Chair			X	X	X
<b>Dr Navina Evans CBE</b> Chief Executive		X			
<b>Professor Mark Radford</b> Chief Nurse		X	X	X	X
<b>Lee Whitehead</b> Director of Corporate Accountability and Engagement		X			
<b>Jo Lenaghan</b> Director of Strategy					X
<b>Laura Roberts</b> Director of Skills Development and Participation				X	

# 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

HEE's Board Assurance Framework (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. All opportunities have an Executive Director lead and are assigned to the relevant Board committee in line with its terms of reference.

As a result of frequent review throughout the year by the Board and Committees in March 2022 the Board is confirmed assurance across all areas of the BAF and of the on-going use and development of the BAF and the governance arrangements in place to report assurances to the Board and Committees. The year end position in relation to the BAF can be accessed via our public board papers, here: <https://www.hee.nhs.uk/about/how-we-work/board-meetings-papers/hee-board-meeting-15-march-2022>

During 2022-23 focus will be on bringing to life, through narratives focussed on outcomes as much as performance measures, the assurance that can be given to the Board against each BAF opportunity and the associated benefits.

### BAF Opportunities and Benefits developed, considered and reviewing during 2021-22

**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.

- We will work with partners to deliver shared priorities to improve the NHS.
- Improves HEE's collaboration and delivery of its objectives by reaching shared understanding around responsibilities, competence, and priorities of each partner.
- Improves ICS relationships, especially for our regions, as they develop and agree their own workforce roles and responsibilities.
- 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.

**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.

- Could embed HEE's workforce growth and reform agenda, including objectives in the Mandate and Business Plan in the next 12-18 months.
- Provide clarity for regions response to ICS focus and provider service recovery.
- Ensure learners both support the response and are protected for future need.
- May hasten change and improvement in some professions and education programmes, or slowdown in others, depending on service priorities.
- HEE's catch-up, recovery, education, training, and broader reform plans could improve delivery of service priorities.

**BAF3:** Ensuring HEE's knowledge, skills, expertise and resources are relevant to nearer term improvement could be key to workforce transformation and improvement.

- Improved ability to deliver a future workforce based on future needs rather than current practice and priorities.
- Case for longer term investment cycles understood alongside more immediate need and delivery timescales.
- HEE's business planning, timelines, and outcomes mirror service planning and need.
- Workforce planning, reform and transformation are service improvement tools.
- HEE shows agility in responding to system need for solutions or funding outside of HEE norms.

# Annexes

## Annex 4: HEE's Board Assurance Framework

**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.

- Deliver resource modelling that reduces inequality.
- The workforce reflects the populations it serves and has access to a greater pool of potential recruits.
- Improve the quality of learning environments, prioritising learner experience and patient safety
- Dynamic market interventions improve sustainability and diversity of health professions.

**BAF5:** HEE's ability to deliver its strategic objectives is enhanced through continuous improvement in the effectiveness of the organisation; its governance, systems of control and striving to be the Best Place to Work.

- HEE is well governed with fair, timely, robust and inclusive decision making.
- HEE will become the best place to work with a particular focus on equality, diversity and inclusion.
- There is a culture of continuous improvement in the delivery of our priorities.
- New science and technologies are harnessed building a digitally confident workforce.

# Annexes

## Annex 5: Information Governance Annual Incident Summary

Financial year 2021-22													
Incident Type	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Disclosed in error	6	4	3	14	9	11	15	13	16	10	13	9	123
Lost in transit	0	1	0	0	0	0	0	0	0	0	0	1	2
Lost or stolen hardware	0	0	0	0	1	1	0	1	0	0	3	1	7
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	0	0	0	0	0	0	0
Non-secure Disposal - hardware	0	0	0	0	0	0	0	0	0	0	0	0	0
Technical security failing (including hacking)	0	0	0	2	0	2	0	3	1	0	1	0	9
Unauthorised access / disclosure	6	3	2	5	2	1	0	2	0	1	1	3	26
Corruption or inability to recover electronic data	0	0	0	0	0	0	0	0	0	0	0	0	0
Uploaded to website in error	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>12</b>	<b>8</b>	<b>5</b>	<b>21</b>	<b>12</b>	<b>15</b>	<b>15</b>	<b>19</b>	<b>17</b>	<b>11</b>	<b>18</b>	<b>14</b>	<b>167</b>

There was 1 less information governance incident in 2021-22 compared to 2020-21.

# Annexes

## Annex 5: Information Governance Annual Incident Summary

### Serious Incidents Reported to the Information Commissioners Office

Date of Incident (Month)	Nature of Incident	Number affected	How individuals were informed	Lessons Learned
November 2021	Support drop-in session recorded via MS Teams, edited and published via YouTube for non-attendees as a training support resource on the school's website. Whilst un-sharing the presentation and moving to a Q&A session, other files were viewable on the screen for a brief period. This included trainee data relating to trainees in difficulty registered on a spreadsheet.	11	Individuals were not informed as on further investigation it was unlikely that individuals could be identified by the information displayed.	Documents should be cross checked prior to upload.

NB: Although the above incident was reported via the DSPT to the ICO, following further investigation the notifiable incident was downgraded.

### Serious incidents recorded on the DSPT but not reportable to the Information Commissioners Office

Date of Incident (Month)	Nature of Incident	Number affected	How individuals were informed	Lessons Learned
September 2021	NHS Digital Cyber Security Operations Centre (CSOC) - SocGholish Fake Update File was detected by Microsoft Defender for Endpoint, Four HEE machines were affected in a relatively short period of time.	5	Individuals were not informed as no personal data was affected.	

# Annexes

## Annex 5: Information Governance Annual Incident Summary

### DPIA governance statement 2021-22

DPIA requests by quarter

Quarter	No. of DPIA screening questions received		No. of full DPIA forms received	
	2020-21	2021-22	2020-21	2021-22
Q1	51	116	17	16
Q2	77	145	27	1
Q3	65	129	17	3
Q4	64	113	9	10
<b>TOTAL</b>	<b>257</b>	<b>503</b>	<b>70</b>	<b>30</b>

DPIA requests by month

Month	No. of DPIA screening questions received		No. of full DPIA forms received	
	2020-21	2021-22	2020-21	2021-22
April	13	30	8	4
May	9	35	4	9
June	29	51	5	3
July	30	46	9	1
August	33	53	8	0
September	14	46	10	0
October	23	44	11	0
November	23	38	1	1
December	19	47	5	2
January	19	38	5	2
February	27	47	3	3
March	18	28	1	5
<b>TOTAL</b>	<b>257</b>	<b>503</b>	<b>70</b>	<b>30</b>

### Reduction in full DPIA submissions

January 2021, HEEs DPIA process was adjusted and improved to reduce the governance burden on staff by streamlining the DPIA activities.

During 2021-22 the number of full DPIAs requested significantly reduced in comparison to the previous year as a result of streamlining the DPIA process and further staff awareness.

# Glossary

# Glossary

**AHEAD** Advancing HEE's Equality and Diversity  
**ACPs** Advanced Clinical Practitioners  
**AHP** Allied Health Professional  
**AHSN** Academic Health Science Network  
**ALB** Arm's Length Body  
**AP** Assistant Practitioner  
**BAF** Board Assurance Framework  
**BAME** Black Asian and Minority Ethnic  
**BAPM** British Association of Perinatal Medicine  
**BME** Black and Minority Ethnic  
**BMJ** British Medical Journal  
**BPW** Best Place to Work  
**CC** Care Certificate  
**CPD** Continuing Professional Development  
**CPEP** Clinical Placement Expansion Programme  
**CYP** Children and Young People  
**DHSC** Department of Health and Social Care  
**DPIA** Data Protection Impact Assessment  
**DPO** Data Protection Officer  
**DSP** Data Security and Protection  
**DSPT** Data Security and Protection Toolkit  
**EDI** Equality, Diversity and Inclusion  
**e-LfH** e-Learning for Health  
**ENIC** European Network of Information Centres  
**EPA** End Point Assessment  
**ESM** Executive and Senior Manager  
**ESOL** English for Speakers of Other Languages  
**ESR** Electronic Staff Record  
**ET** Education Training  
**FREM** Financial Reporting Manual  
**FTE** Full Time Equivalent  
**GAM** Group Accounting Manual  
**GDPR** General Data Protection Regulations  
**GHP** Global Health Partnership  
**GMC** General Medical Council  
**GP** General Practice/Practitioners  
**HEE** Health Education England  
**HEI** Higher Education Institution  
**HMRC** Her Majesty's Revenue and Customs  
**IAPT** Improving Access to Psychological Therapies  
**ICS** Integrated Care System  
**ICO** Information Commissioners Office  
**IFATE** Institute for Apprenticeships and Technical Education  
**IFRS** The International Financial Reporting Standards  
**IGSG** Information Governance Steering Group  
**LCFS** Local Counter Fraud Service  
**LCFT** Local Counter Fraud Technician  
**LETB** Local Education Training Board  
**LMS** Local Maternity Systems  
**LTP** Long Term Plan

**METIP** Multi-professional Education and Training Investment Planning  
**MH** Mental Health  
**MSC** Medical School Council  
**MSW** Maternity Support Worker  
**NA** Nurse Associate  
**NAO** National Audit Office  
**NDP** Non-Departmental Body  
**NDG** National Data Guardian  
**NED** Non-Executive Director  
**NETS** National Education and Training Survey  
**NFI** National Fraud Initiative  
**NHS** National Health Service  
**NHSCFA** NHS Counter Fraud Authority  
**NHSE** NHS England  
**NHSE/I** NHS England and NHS Improvement  
**NHSI** NHS Improvement  
**NMC** Nursing and Midwifery Council  
**OME** Office of Manpower Economics  
**OOPP** Out of Programme Pause  
**OPPE** Out of Programme Period of Experience  
**PAs** Physician Associates  
**PAF** Patient Advisory Forum  
**PHE** Public Health England  
**PPE** Personal Protective Equipment  
**RCN** Royal College of Nursing  
**RN** Registered Nurse  
**RNDA** Registered Nurse Degree Apprenticeship  
**RNLD** Registered Nurse for people with Learning Disabilities  
**RPB** Regional People Board  
**SFIs** Standing Financial Instructions  
**SIRI** Serious Incident Requiring Investigation  
**SIRO** Senior Information Risk Owner  
**SRO** Senior Responsible Officer  
**STP** Sustainability and Transformation Partnerships  
**TERS** Targeted Enhanced Recruitment Scheme  
**TNA** Trainee Nurse Associate  
**TU** Trade Union  
**TUC** Trades Union Congress  
**UCAS** Universities and Colleges Admissions Service  
**WHO** World Health Organisation  
**WDES** Workforce Disability Equality Standard  
**WRES** Workforce Race Equality Standard  
**WTE** Whole Time Equivalent

# 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](http://www.hee.nhs.uk)

You can keep up to date with our news online by following us:

[www.facebook.com/nhshee](http://www.facebook.com/nhshee)

[twitter.com/nhs\\_healthedeng](https://twitter.com/nhs_healthedeng)

[www.youtube.com/user/HealthEducationEng](http://www.youtube.com/user/HealthEducationEng)

[www.instagram.com/nhshee/](http://www.instagram.com/nhshee/)

[www.linkedin.com/company/health-education-england/](http://www.linkedin.com/company/health-education-england/)

<https://soundcloud.com/health-education-england>





